

SERFF Tracking Number: FFDC-125643056 State: Arkansas  
First Filing Company: American Automobile Insurance Company, ... State Tracking Number: EFT \$50  
Company Tracking Number: NARPG0408  
TOI: 05.1 Commercial Multi-Peril - Non-Liability Sub-TOI: 05.1000 CMP Sub-TOI Combinations  
Portion Only  
Product Name: Property-Gard and Property-Gard Select Real Estate Owners Extension Endorsements  
Project Name/Number: Property-Gard and Property-Gard Select Real Estate Owners Extension Endorsements/NWPG0408

## Filing at a Glance

Companies: American Automobile Insurance Company, Associated Indemnity Corporation, Fireman's Fund Insurance Company, National Surety Corporation, The American Insurance Company

Product Name: Property-Gard and Property-Gard Select Real Estate Owners Extension Endorsements  
SERFF Tr Num: FFDC-125643056 State: Arkansas

TOI: 05.1 Commercial Multi-Peril - Non-Liability SERFF Status: Closed State Tr Num: EFT \$50  
Portion Only

Sub-TOI: 05.1000 CMP Sub-TOI Combinations Co Tr Num: NARPG0408 State Status: Fees verified and received

Filing Type: Form Co Status: Pending Reviewer(s): Betty Montesi, Llyweyia Rawlins, Brittany Yielding  
Authors: Michelle Davanzo, Gina Bondanza Disposition Date: 05/27/2008  
Date Submitted: 05/14/2008 Disposition Status: Approved

Effective Date Requested (New): 07/01/2008 Effective Date (New): 07/01/2008  
Effective Date Requested (Renewal): 07/01/2008 Effective Date (Renewal): 07/01/2008

State Filing Description:

## General Information

Project Name: Property-Gard and Property-Gard Select Real Estate Owners Extension Endorsements Status of Filing in Domicile:  
Project Number: NWPG0408 Domicile Status Comments:  
Reference Organization: Reference Number:  
Reference Title: Advisory Org. Circular:  
Filing Status Changed: 05/27/2008  
State Status Changed: 05/15/2008 Deemer Date:  
Corresponding Filing Tracking Number:

SERFF Tracking Number: FFDC-125643056 State: Arkansas  
First Filing Company: American Automobile Insurance Company, ... State Tracking Number: EFT \$50  
Company Tracking Number: NARPG0408  
TOI: 05.1 Commercial Multi-Peril - Non-Liability Sub-TOI: 05.1000 CMP Sub-TOI Combinations  
Portion Only  
Product Name: Property-Gard and Property-Gard Select Real Estate Owners Extension Endorsements  
Project Name/Number: Property-Gard and Property-Gard Select Real Estate Owners Extension Endorsements/NWPG0408

#### Filing Description:

Enclosed for your review are several endorsements that allow us to offer variable limits for our Real Estate Extension endorsements (as previously approved in your state). Please see the enclosed Explanatory Memorandum for more information.

This is a form filing.

We introduced coverage extension endorsements in 2005 for our Real Estate industry business. The endorsements were updated in 2006 to offer variable limits. We wish to now revise these endorsements to add additional items to Covered Property and to Additional Coverages, add Definitions for clarification purposes, and add deductible options. Note: The limits in the Schedule on these endorsements are the automatic or default limits. Our automated policy writing system will print the limits on a separate schedule.

Enclosed in support of this filing are the following:

1. Explanatory Memorandum
2. Revised Property-Gard and Property-Gard Select endorsements:

#### Property-Gard:

- 143618 04 08, Property-Gard – Real Estate Owners and Managers Endorsement;
- 143619 04 08, Business Income – Real Estate Owners and Managers Endorsement; and
- 143620 04 08, Property-Gard – Real Estate Owners and Managers Crime Protection.

#### Property-Gard Select:

- 190087 04 08, Property-Gard Select Real Estate Owners and Managers Endorsement;
- 190088 04 08, Property-Gard Select Real Estate Owners and Managers Crime Protection; and
- 190020 04 08, MORE-TO-SELECT, Property-Gard Select Endorsement, which revises the prior 12 98 edition (approved under Company filing number NWPG0294.167).

The forms replace prior 06 06 edition endorsements (approved under Company filing number NARMC0406 and State Filing Number AR-PC-06-020380 except for endorsement 190020 04 08 which replaces the prior 12 98 edition approved under Company filing number NWPG0294.167).

SERFF Tracking Number: FFDC-125643056 State: Arkansas  
 First Filing Company: American Automobile Insurance Company, ... State Tracking Number: EFT \$50  
 Company Tracking Number: NARPG0408  
 TOI: 05.1 Commercial Multi-Peril - Non-Liability Sub-TOI: 05.1000 CMP Sub-TOI Combinations  
 Portion Only  
 Product Name: Property-Gard and Property-Gard Select Real Estate Owners Extension Endorsements  
 Project Name/Number: Property-Gard and Property-Gard Select Real Estate Owners Extension Endorsements/NWPG0408

To facilitate your review, marked copies detailing the revisions are also enclosed.

Your approval of this filing, which has a proposed effective date of July 1, 2008 would be appreciated.

## Company and Contact

### Filing Contact Information

Michelle Davanzo, Regulatory Services Senior Analyst mdavanzo@ffic.com

777 San Marin Drive (415) 899-2660 [Phone]  
 Novato, CA 94998 (866) 290-0671[FAX]

### Filing Company Information

American Automobile Insurance Company	CoCode: 21849	State of Domicile: Missouri
777 San Marin Drive	Group Code: 761	Company Type:
Novato, CA 94998	Group Name:	State ID Number:
(415) 899-2817 ext. [Phone]	FEIN Number: 22-1608585	

-----

Associated Indemnity Corporation	CoCode: 21865	State of Domicile: California
777 San Marin Drive	Group Code: 761	Company Type:
Novato, CA 94998	Group Name:	State ID Number:
(415) 899-2817 ext. [Phone]	FEIN Number: 22-1708002	

-----

Fireman's Fund Insurance Company	CoCode: 21873	State of Domicile: California
777 San Marin Drive	Group Code: 761	Company Type:
Novato, CA 94998	Group Name:	State ID Number:
(415) 899-3290 ext. [Phone]	FEIN Number: 94-1610280	

-----

National Surety Corporation	CoCode: 21881	State of Domicile: Illinois
777 San Marin Drive	Group Code: 761	Company Type:
Novato, CA 94998	Group Name:	State ID Number:
(415) 899-2817 ext. [Phone]	FEIN Number: 36-2704643	

-----

SERFF Tracking Number: FFDC-125643056 State: Arkansas  
First Filing Company: American Automobile Insurance Company, ... State Tracking Number: EFT \$50  
Company Tracking Number: NARPG0408  
TOI: 05.1 Commercial Multi-Peril - Non-Liability Sub-TOI: 05.1000 CMP Sub-TOI Combinations  
Portion Only  
Product Name: Property-Gard and Property-Gard Select Real Estate Owners Extension Endorsements  
Project Name/Number: Property-Gard and Property-Gard Select Real Estate Owners Extension Endorsements/NWPG0408

The American Insurance Company CoCode: 21857 State of Domicile: Nebraska  
777 San Marin Drive Group Code: 761 Company Type:  
Novato, CA 94998 Group Name: State ID Number:  
(415) 899-2817 ext. [Phone] FEIN Number: 22-0731810  
-----

SERFF Tracking Number: FFDC-125643056 State: Arkansas  
First Filing Company: American Automobile Insurance Company, ... State Tracking Number: EFT \$50  
Company Tracking Number: NARPG0408  
TOI: 05.1 Commercial Multi-Peril - Non-Liability Sub-TOI: 05.1000 CMP Sub-TOI Combinations  
Portion Only  
Product Name: Property-Gard and Property-Gard Select Real Estate Owners Extension Endorsements  
Project Name/Number: Property-Gard and Property-Gard Select Real Estate Owners Extension Endorsements/NWPG0408

## Filing Fees

Fee Required? Yes  
Fee Amount: \$50.00  
Retaliatory? No  
Fee Explanation:  
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
American Automobile Insurance Company	\$50.00	05/14/2008	20317428
Associated Indemnity Corporation	\$0.00	05/14/2008	
Fireman's Fund Insurance Company	\$0.00	05/14/2008	
National Surety Corporation	\$0.00	05/14/2008	
The American Insurance Company	\$0.00	05/14/2008	

SERFF Tracking Number: FFDC-125643056 State: Arkansas  
First Filing Company: American Automobile Insurance Company, ... State Tracking Number: EFT \$50  
Company Tracking Number: NARPG0408  
TOI: 05.1 Commercial Multi-Peril - Non-Liability Sub-TOI: 05.1000 CMP Sub-TOI Combinations  
Portion Only  
Product Name: Property-Gard and Property-Gard Select Real Estate Owners Extension Endorsements  
Project Name/Number: Property-Gard and Property-Gard Select Real Estate Owners Extension Endorsements/NWPG0408

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved	Llyweyia Rawlins	05/27/2008	05/27/2008

SERFF Tracking Number: FFDC-125643056 State: Arkansas  
First Filing Company: American Automobile Insurance Company, ... State Tracking Number: EFT \$50  
Company Tracking Number: NARPG0408  
TOI: 05.1 Commercial Multi-Peril - Non-Liability Sub-TOI: 05.1000 CMP Sub-TOI Combinations  
Portion Only  
Product Name: Property-Gard and Property-Gard Select Real Estate Owners Extension Endorsements  
Project Name/Number: Property-Gard and Property-Gard Select Real Estate Owners Extension Endorsements/NWPG0408

## Disposition

Disposition Date: 05/27/2008  
Effective Date (New): 07/01/2008  
Effective Date (Renewal): 07/01/2008  
Status: Approved  
Comment:

Rate data does NOT apply to filing.

### Overall Rate Information for Multiple Company Filings

Overall Percentage Rate Indicated For This Filing	0.000%
Overall Percentage Rate Impact For This Filing	0.000%
Effect of Rate Filing-Written Premium Change For This Program	\$0
Effect of Rate Filing - Number of Policyholders Affected	0

SERFF Tracking Number: FFDC-125643056 State: Arkansas  
 First Filing Company: American Automobile Insurance Company, ... State Tracking Number: EFT \$50  
 Company Tracking Number: NARPG0408  
 TOI: 05.1 Commercial Multi-Peril - Non-Liability Sub-TOI: 05.1000 CMP Sub-TOI Combinations  
 Portion Only  
 Product Name: Property-Gard and Property-Gard Select Real Estate Owners Extension Endorsements  
 Project Name/Number: Property-Gard and Property-Gard Select Real Estate Owners Extension Endorsements/NWPG0408

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	Form Filing Schedule	Approved	Yes
Supporting Document	Cover Letter	Approved	Yes
Supporting Document	Marked Copies	Approved	Yes
Supporting Document	Explanatory Memorandum	Approved	Yes
Form	Property-Gard-Real Estate Owners and Managers Endorsement	Approved	Yes
Form	Business Income - Real Estate Owners and Managers Endorsement	Approved	Yes
Form	Property-Gard - Real Estate Owners and Managers Crime Protection	Approved	Yes
Form	Property-Gard Select Real Estate Owners and Managers Endorsement	Approved	Yes
Form	Property-Gard Select Real Estate Owners and Managers Crime Protection	Approved	Yes
Form	MORE-TO-SELECT - Property-Gard Select Endorsement	Approved	Yes

SERFF Tracking Number: FFDC-125643056 State: Arkansas  
 First Filing Company: American Automobile Insurance Company, ... State Tracking Number: EFT \$50  
 Company Tracking Number: NARPG0408  
 TOI: 05.1 Commercial Multi-Peril - Non-Liability Sub-TOI: 05.1000 CMP Sub-TOI Combinations  
 Portion Only  
 Product Name: Property-Gard and Property-Gard Select Real Estate Owners Extension Endorsements  
 Project Name/Number: Property-Gard and Property-Gard Select Real Estate Owners Extension Endorsements/NWPG0408

## Form Schedule

Review Status	Form Name	Form #	Edition Date	Form Type Action	Action Specific Data	Readability	Attachment
Approved	Property-Gard-Real Estate Owners and Managers Endorsement	143618	04 08	Endorsement/Amendment/Conditions	Replaced Form #: 143618 06 06 Previous Filing #: AR-PC-06-020380		143618 04 08 - PG RE Owners and Managers.pdf
Approved	Business Income - Real Estate Owners and Managers Endorsement	143619	04 08	Endorsement/Amendment/Conditions	Replaced Form #: 143619 06 06 Previous Filing #: AR-PC-06-020380		143619 04 08 PG RE Business Income.pdf
Approved	Property-Gard - Real Estate Owners and Managers Crime Protection	143620	04 08	Endorsement/Amendment/Conditions	Replaced Form #: 143620 06 06 Previous Filing #: AR-PC-06-020380		143620 04 08 PG RE Owners and Managers Crime FORM.pdf
Approved	Property-Gard Select Real Estate Owners and Managers Endorsement	190087	04 08	Endorsement/Amendment/Conditions	Replaced Form #: 190087 06 06 Previous Filing #: AR-PC-06-020380		190087 04 08 PGS RE Owners and Managers.pdf
Approved	Property-Gard Select Real Estate Owners and Managers Crime Protection	190088	04 08	Endorsement/Amendment/Conditions	Replaced Form #: 190088 06 06 Previous Filing #: AR-PC-06-020380		190088 04 08 PGS RE Owners and Managers Crime FORM.pdf
Approved	MORE-TO-SELECT - Property-Gard Select Endorsement	190020	04 08	Endorsement/Amendment/Conditions	Replaced Form #: 190020 12 98 Previous Filing #: NWPG0294.167		190020 04 08 MORE TO SELECT.pdf

**Property-Gard - Real Estate Owners and Managers Endorsement – 143618 04 08**  
 Policy Amendment(s) Commercial Property Coverage

This endorsement modifies insurance provided under the following:  
 Property-Gard Building and Personal Property Coverage Form, Cause of Loss Form.

**SCHEDULE**

<b>COVERAGE DESCRIPTION</b>	<b>LIMIT OF INSURANCE</b>
Broadened Premises Coverage	Included
Additional Coverage Foundations	Included
Roadways, Walks, Patios or Other Paved Surfaces	Included
Underground Pipes, Flues or Drains	Included
Retaining Walls	Included
Outdoor Swimming Pools	Included
Outdoor Recreational Courts or Equipment	Included
Fire Department Service Charge	\$ 25,000
Electronic Data Processing Equipment, Voice Communication Equipment, Media, Software And Data	Included
Fine Arts	\$ 50,000
Tenant Move Back Coverage	\$ 25,000
Contract Penalty Clause Coverage	\$ 25,000
Lost Key Coverage	\$ 10,000
Alternative Key Systems	\$100,000
Realty Tax – Increased Assessment Limit	\$ 50,000
Maximum Annual Assessment Period(s)	One Year
Fire Protective Equipment Recharge	\$ 25,000
Reward	\$ 25,000
Mobile Equipment	\$25,000
Emergency Vacating Expense	\$ 100,000
Communicable Disease Extra Expense	\$ 100,000
Unintentional Property Errors and Omissions	\$1,000,000
Property in Transit	\$ 25,000
Utility Services Coverage - Direct Damage	\$ 50,000
Newly Acquired Property	\$ 1,000,000
Property Of Others	\$ 25,000
Valuable Papers and Records	\$ 100,000
Property Off Premises	\$ 25,000
Outdoor Property - Trees, Shrubs, Plants and Lawns Per Plant	\$ 1,000
Per Occurrence	25,000
Extra Expense, Expediting Expense and Loss Adjustment Expense	\$ 25,000
Accounts Receivable (Including Credit Card Invoices)	\$ 100,000
Optional Deductibles:	
___ \$1,000      ___ \$2,500      ___ \$5,000      ___ \$10,000      ___ Policy Deductible	

This Form must be attached to Change Endorsement when issued after the policy is written.  
 One of the **Fireman's Fund Insurance Companies** as named in the policy.

  
 \_\_\_\_\_  
 Secretary

  
 \_\_\_\_\_  
 President

If “0” appears in the Schedule of this Endorsement, or in the Declarations applicable to this Endorsement, no coverage is provided for the described coverage.

If “N/A” is shown for a described coverage or the described coverage does not have a corresponding Limit of Insurance shown in the Schedule of this Endorsement, or in the Declarations applicable to this Endorsement, no coverage is provided for the described coverage.

If “Included” appears in the Schedule of this Endorsement, the applicable Limit of Insurance is specified in the Declarations of this policy.

Information required to complete this schedule, if not shown above, will be shown in the declarations.

Unless specifically and expressly provided for herein, the coverage granted by this endorsement does not provide nor will it invoke coverage for loss of use, loss of business income, loss of rental income, or extra expense. Coverage for any loss of use, loss of business income, loss of rental income, or extra expense, if specifically offered within the policy, will be solely governed by the conditions of the relevant business income, rental income, or extra expense form.

#### **A. BROADENED PREMISES COVERAGE**

1. Paragraph A.1.a. (5) (b), Business Real Property, is deleted and replaced with the following:

b) Materials, equipment, supplies and temporary structures which are within 1000 feet of the described premises and are used for making additions, alterations or repairs to the building or structure.

2. The first paragraph under Paragraph A.1.b. is deleted and replaced by the following:

We cover the following items of personal property which you own and use in **your business** while they are in or on the **premises** at the location described in the Declarations or in the open (or in a **vehicle**) within 1000 feet of the described **premises**.

#### **B. ADDITIONAL COVERAGE FOUNDATIONS**

1. Section A.1.a. of the Property-Gard Building and Personal Property Coverage, Covered Property, is amended to add the following:

(6). Foundations of buildings, structures, equipment or machinery whether above or below ground.

2. Section A.2.c. Of the Property-Gard Building and Personal Property Coverage Form, Property Not Covered, is deleted.

#### **C. ROADWAYS, WALKS, PATIOS OR OTHER PAVED SURFACES**

1. Section A.1.a. of the Property-Gard Building and Personal Property Coverage, Covered Property, is amended to add the following:

(7). roadways, walks, patios or other paved surfaces.

2. Section A.2.a. Of the Property-Gard Building and Personal Property Coverage Form, Property Not Covered, is deleted and replaced with the following:

- a. land and land values; water;

#### **D. UNDERGROUND PIPES, FLUES OR DRAINS**

1. Section A.1.a of the Property-Gard Building and Personal Property Coverage, Covered Property, is amended to add the following:

- (8). underground pipes, flues or drains.

2. Section A.2.e. Of the Property-Gard Building and Personal Property Coverage Form, Property Not Covered, is deleted.

#### **E. RETAINING WALLS**

1. Section A.1.a of the Property-Gard Building and Personal Property Coverage, Covered Property, is amended to add the following:

- (9). retaining walls that are not part of the building.

2. Section A.2.f. Of the Property-Gard Building and Personal Property Coverage Form, Property Not Covered, is deleted.

#### **F. OUTDOOR SWIMMING POOLS**

1. Section A.1.a of the Property-Gard Building and Personal Property Coverage, Covered Property, is amended to add the following:

- (10). permanently installed outdoor swimming pools

#### **G. OUTDOOR RECREATIONAL COURTS OR EQUIPMENT**

1. Section A.1.a of the Property-Gard Building and Personal Property Coverage, Covered Property, is amended to add the following:

- (11). permanently installed outdoor recreational courts or equipment.

#### **H. ADDITIONAL COVERAGES**

Section A.4.c. of the Property-Gard Building and Personal Coverage Form, Additional Coverages, is deleted and replaced with the following:

##### **c. FIRE DEPARTMENT SERVICE CHARGES**

c. When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to the Limit of Insurance shown in the Schedule that applies to Fire Department Service Charge for your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

No Deductible applies to this Additional Coverage.

Section A. 4. of the Property-Gard Building and Personal Property Coverage Form, Additional Coverages, is amended to include the following:

**h. ELECTRONIC DATA PROCESSING EQUIPMENT, VOICE COMMUNICATION EQUIPMENT, MEDIA, SOFTWARE AND DATA**

- (1). We will pay for direct, physical loss or damage to your **electronic data processing equipment, voice communication equipment, media, software and data**. We also pay for direct, physical loss or damage to **electronic data processing equipment, voice communication equipment, media, software and data** of others that occurs while such property is in your care, custody or control and for which you are legally liable.
- (2). As respects coverage for **data** and **software** provided under this Additional Coverage, direct, physical loss or damage includes accidental erasure or corruption.
- (3). We only cover such property under this Additional Coverage for direct, physical loss or damage caused by or resulting from the following causes of loss:
  - (a) **Mechanical breakdown.**
  - (b) Artificially generated electrical current, including any change in the electric power supply.
  - (c) Magnetic injury or disturbance, meaning accidental exposure to magnetic fields, whether naturally or artificially generated.
  - (d) Operator or programmer error. This cause of loss does not apply to **data** or **software**.
  - (e) Change in temperature, dampness of atmosphere or humidity.
- (4). Coverage provided under this Additional Coverage is otherwise subject to all exclusions contained in Section B. of the applicable Causes of Loss Form except for the following:
  - (a) Exclusions B.1.e., B.2.a., B.2.d. (7) and B.2.d. (8) (a) and B.2.d. (8) (b) are deleted as respects all coverage provided under this Additional Coverage;
  - (b) The phrase "hidden or latent defect, or any quality in property that causes it to damage or destroy itself" in exclusion B.2.d. (2) is deleted as respects coverage for **mechanical breakdown** provided under this Additional Coverage; and
  - (c) Exclusions B.3.b.; B.3.c. (2); and B.3.c. (4) are deleted as respects coverage for operator or programmer error provided under this Additional Coverage.
- (5). In the event of loss or damage covered by this Additional Coverage, we will determine the value of **electronic data processing equipment, voice communication equipment, media, software or data** as follows:
  - (a) **Electronic data processing equipment, voice communication equipment and media** will be valued in accordance with the applicable Loss Settlement provisions of the Property-Gard Building and Personal Property Coverage Form, or as such provisions are otherwise amended by endorsement to this Policy.
  - (b) **Software** will be valued at the least of the following amounts:
    - (i) The actual cost necessary to repair, restore or reconstitute the **software**; or

(ii) The actual cost necessary to reproduce or replace such **software** with identical **software** or, if identical software is not available, with **software** of comparable kind, functionality and quality.

We will not pay more for **software** that is not actually repaired, restored, reconstituted, reproduced or replaced than the **fair market value** of such **software**.

(c) **Data** will be valued at the actual cost necessary to repair, restore, reconstitute, reproduce or replace such **data**, whichever is less. This includes reasonable expenses you incur for research that is necessary to repair, restore, reconstitute, reproduce or replace such **data**. We will not pay more for loss or damage to **data** than the amount you actually spend to replace, reproduce, restore, or reconstitute such **data**.

(6). As used in the Electronic Data Processing Equipment, Voice Communication Equipment, Media, Software And Data coverage provided under this Additional Coverage:

- (a) **Data** means any information, other than **software**, that is electronically, magnetically or optically stored, recorded or installed on **media** for use in your information systems, or **data** processing operations.
- (b) **Electronic data processing equipment** means equipment, systems or machines, or a network of such equipment, systems or machines, including component parts and peripheral equipment, whose function is processing, converting, retrieving, storing or reproducing **data**, running or execution of **software**, or performing computing, **data** processing, or **data** reproduction functions in your information systems or data processing operations. **Electronic data processing equipment** includes **media**, which are installed or included within **electronic data processing equipment**, but not other **media**.
- (c) **Fair market value** means the price that a willing buyer would pay to a willing seller in an open market if the property had been offered for sale on the date of the loss.
- (d) **Mechanical breakdown** means a sudden and accidental breakdown or derangement of tangible, mechanical apparatus comprising, in whole or in part, of covered equipment, machinery or other covered property. The breakdown must become apparent by physical damage or derangement that requires repair or replacement of all or part of such apparatus
- (e) **Media** means the physical materials upon which **data** or **software** are electronically, magnetically or optically recorded, installed or stored, whether or not such materials are installed or included within **electronic data processing equipment**.
- (f) **Software** means instructions, programs, or routines that are electronically, magnetically or optically stored, recorded or installed on media and which are used to control or direct processes, computing, or other functions in your **electronic data processing equipment**, or for processing, converting, retrieving, storing or reproducing **data**. **Software** includes, but is not limited to, the source codes for such instructions, programs or routines.
- (g) **Voice Communication Equipment**, means equipment, systems and machinery or a network of such equipment, systems or machines, including component parts and peripheral equipment, whose function is transmitting, processing, converting, retrieving, and storing or reproducing voice **data**.
- (h) **Portable EDP and Portable Voice Communication Equipment**, means Laptop computers and Cellular telephones configured and designed to be used away from your premises. **Portable EDP and Voice Communication Equipment** does not include equipment, including but not limited to Desktop Computers, Servers and Telephone equipment, that requires a hard wire land line in order to complete a communication connection.

- (7). **Policy Territory** as respects **portable EDP and portable voice communication equipment** is amended to: Anywhere in the world.
- (8). Coverage provided by this Additional Coverage is included within the Limit of Insurance that applies to your Business Personal Property.

#### i. FINE ARTS COVERAGE

- (1). We cover **fine arts** you own, and such property owned by others, that is in your care, custody, or control, while located within the **premises** that you occupy at locations described in the Declarations.
- (2). We cover such property against direct physical loss or damage caused by or resulting from a Covered Cause of Loss applying to Your Business Personal Property at the location described in the Declarations.
- (3). **Fine Arts** will be valued at the time of loss or damage as follows:

- (a) For partial losses, including items that are part of a pair or set, we will pay:
- (i) The reasonable cost necessary to restore the article, pair or set to its condition immediately before the loss.
  - (ii) If we agree that such restoration cannot fully restore the article, pair or set to its condition just before the loss, we will pay the difference between the article's **fair market value** immediately before and after the loss. We will pay this amount in addition to the cost incurred in attempting to restore the article.

Example: The article's pre-loss **fair market value** is \$25,000. The damaged article can be restored for \$3000. However, the post-restoration **fair market value** of the article will be only \$20,000. The difference between the article's pre-loss **fair market value** and the post-restoration **fair market value** is \$5,000 (\$25,000 - \$20,000 = \$5,000). The total amount we will pay is \$8,000 [\$5000 (diminution of value) plus \$3000 (cost of restoration) = \$8,000].

- (b) For total losses, we will pay the **fair market value** of the article, pair or set immediately before the loss.
- (4). The most we will pay for loss, damage, or expense in any one occurrence under this Additional Coverage are the Limits of Insurance shown in the Schedule of this Endorsement applicable to **Fine Arts**.
- (5). **Fine arts** means paintings; rare books; etchings; pictures; prints; drawings; tapestries; valuable rugs; sculptures; statuary; pottery; marbles; bronzes; antique furniture; antique silver; manuscripts; porcelains; rare glass; stained glass, whether a part of Business Real Property or not; bric-a-brac; other similar bona fide works of art; items of rarity, historical value, or artistic merit, including trophies, scientific or musical instruments or experiments. Fine Arts does not mean **Valuable papers and records**.

#### j. TENANT MOVE BACK COVERAGE

- (1). We will pay expenses incurred by you for **Tenant Move Back Costs** of tenants who temporarily vacate a portion of a covered building property at the premises described in the Declarations. The vacancy must have occurred while the portion of the covered building property rented by the tenant could not be occupied due to direct physical loss or damage to your Covered Property caused by or resulting from any Covered Cause of Loss during the policy period. The move back must take place within 60 days after the portion of the covered building property rented by the tenant has been repaired or rebuilt and is ready for occupancy.

(2). We will pay for **Tenant Move Back Costs** whether or not the tenant(s) move back before the expiration date of this policy.

(3). **Tenant Move Back Costs** under this Additional Coverage means documented, reasonable and necessary:

- (a) Costs of packing, insuring and carting personal property;
- (b) Costs of re-establishing electric utility services, less refunds from discontinued services;
- (c) Costs of assembling and setting up fixtures and equipment;
- (d) Costs to unpack and reshel stock and supplies; and
- (e) Costs of rent abatement offered to the tenant(s) as an incentive to reoccupy the premises.

(4). **Tenant Move Back Costs** do not include:

- (a) Loss caused by the termination of a lease or other agreement; or
- (b) Security deposits or other payments, forfeitures or penalties made to the landlord or lessor of other premises.

(5). The most we will pay for loss or damage under this Additional Coverage is the Limit of Insurance shown in the schedule that applies to this endorsement for **Tenant Move Back Coverage**. The number of tenants requiring relocation will not increase this Limit of Insurance.

(6). This Additional Coverage does not create any Business Income coverage under any coverage form which provides coverage for Business Income.

#### **k. CONTRACT PENALTY CLAUSE COVERAGE**

(1). We will pay the contractual penalties you are required to pay to your customers as a result of any clause in a contract you enter into due to your failure to timely deliver your product or service according to the contract terms. The penalties must solely result from direct physical loss or damage by a Covered Cause of Loss to Covered Property which occurs after you enter into such contract.

(2). The most we will pay for loss or damage in any one occurrence under this Additional Coverage is the Limit of Insurance shown in the schedule that applies to this endorsement for **Contract Penalty Clause Coverage**.

#### **l. LOST KEY COVERAGE**

(1). We will pay for consequential loss to keys and locks if a master key or grand master key is lost or damaged resulting from a Covered Cause of Loss. We will pay for the actual cost to replace keys, adjustment of locks to accept new keys or, if required, new locks, including the cost of their installation, resulting from a covered cause of loss.

(2). In the Causes of Loss Form: exclusion 2.e.; and Limitation 1.d. do not apply to this additional coverage.

(3). The most we will pay for loss or damage in any one occurrence under this Additional Coverage is the Limit of Insurance shown in the schedule that applies to this endorsement for **Lost Key Coverage**.

No Deductible applies to this Additional Coverage.

**m. ALTERNATIVE KEY SYSTEMS**

(1). We will pay for loss or damage to, or cost to reprogram, **alternative key systems**, including card programmers, card-readers, computers, related alarms, transceivers, power supplies and any other electronic or mechanical apparatus needed to make the card keys work. The loss must be caused by a **Covered Cause of Loss** and must take place at a Covered Location.

(2). **Alternative key systems** means programmable keying systems, such as mechanically or electronically coded key cards.

(3). The most we will pay for loss or damage under this Additional Coverage is the Limit of Insurance shown in the schedule that applies to this endorsement for **Alternative Key Systems**.

**n. REALTY TAX COVERAGE – INCREASED ASSESSMENT**

(1). If a **Covered Cause of Loss** results in direct physical loss or damage to Covered Property at a location described in the Declarations, we will reimburse you for the increased realty tax liability directly attributed to the repair, rebuilding, or reconstruction of the damaged property as covered by this policy.

(2). We will pay for such increased realty tax liability that is assessed within 2 years of a covered loss. However, we will only pay such increased assessment following any realty tax assessment that is insured under this coverage for the tax period(s) shown in the schedule for **Realty Tax – Increased Assessment Maximum Annual Assessment Period(s)**.

(3). The most we will pay for loss or damage under this Additional Coverage is the Limit of Insurance shown in the schedule that applies to this endorsement for **Realty Tax – Increased Assessment**.

**o. FIRE PROTECTIVE EQUIPMENT RECHARGE**

(1). We will reimburse you for your costs to recharge or refill fire protective equipment and to clean up and remove the fire extinguishing agent discharged from fire protective equipment.

(2). The discharge must:

(a) Be caused by a Covered Cause of Loss; or

(b) Result from the intended operation of the fire protective equipment to prevent or control a Covered Cause of Loss; or

(c) Be accidental; or

(d) Result from a malfunction of the fire protective equipment.

(3). We will not pay for loss or damage:

(a) If you fail to use reasonable care to maintain the fire protective equipment in proper operating condition; or

(b) Caused by discharge at the time of servicing, refilling or testing of the fire protective equipment.

(4). The most we will pay for loss or damage under this Additional Coverage is the Limit of Insurance shown in the schedule that applies to this endorsement for **Fire Protective Equipment Recharge**.

(5). No Deductible applies to this Additional Coverage.

**p. REWARD**

(1). If covered property sustains direct physical loss or damage caused by or resulting from a Covered Cause of Loss, and the origin of such loss is determined to be the criminal acts of an individual or individuals, we will pay a reward to the person or persons who provide information that leads to the arrest and conviction of the individual or individuals responsible for the loss.

(2). The most we will pay under this Additional Coverage is the Limit of Insurance shown in the Schedule that applies to this Endorsement Part for **Reward**, regardless of the number of persons providing information that leads to the arrest and conviction of the individual or individuals responsible for such loss.

(3). No deductible applies to this Additional Coverage.

**q. MOBILE EQUIPMENT**

(1). We will pay for direct physical loss or damage caused by or resulting from a Covered Cause of Loss to your **Mobile Equipment**. We will also pay for **Mobile Equipment** which is property of others that you lease or rent, but only if the loss or damage occurs while such property is in your care, custody or control, and a written lease or rental agreement was in effect at the time of the loss that either

(a) Requires you to obtain insurance on the property, or

(b) Makes you legally liable in the event direct, physical loss or damage occurs to the property while it is in your care, custody or control.

Coverage under this Additional Coverage applies to **Mobile Equipment** located anywhere in the policy territory.

(2). We will not pay for loss to

(a) Any property while leased, loaned or rented to others, or while in the possession of others under an agreement of sale;

(b) Property while waterborne; air craft; watercraft (including motors, equipment and accessories); automobiles, motor trucks, trailers, semi-trailers, motorcycles, motor scooters, or any other vehicles designed primarily for highway use.

(3). We will not pay for loss caused by the weight of a load exceeding the applicable load rating of the **Mobile Equipment** according to the load rating chart published by the manufacturer of the **Mobile Equipment**.

(4). **Mobile Equipment** as used in this Additional Coverage means equipment and machinery, including spare and repair parts, which is used to maintain, improve or modify your facilities which is not permanently attached or fixed to the property. **Mobile Equipment** does not include **Stock**.

(5). The most we will pay under this Additional Coverage is the Limit of Insurance shown in the Schedule that applies to this Endorsement Part for **Mobile Equipment**.

**r. EMERGENCY VACATING EXPENSE**

(1). We will pay for the reasonable expense you incur in the evacuation of tenants from insured buildings because of an **emergency**.

(a) We will not pay for any expense for the **emergency** evacuation of any tenant if the **emergency** evacuation is a result of:

- (i) A planned evacuation drill;
- (ii) Strike;
- (iii) A named **tropical storm** or **hurricane**. Including the period of time 72 hours prior to becoming a **hurricane** or **tropical storm**, the entire duration of the **hurricane** or **tropical storm** and the 72 hours immediately following the downgrading of a **hurricane** or **tropical storm** as declared by the National Weather Service.
- (iv) any other event or action otherwise excluded under this policy.

(b) This coverage only applies if you report the expense to us in writing no later than sixty (60) days from the date of the **emergency** evacuation or from the end of the policy period, whichever is first.

(c) **Emergency** as used in this Additional Coverage means unforeseen event or a condition on your **premises** which puts your tenants in imminent danger of direct physical harm or loss of life.

(d) **Hurricane** means a windstorm that has a sustained wind speed of 74 miles per hour or greater or has been declared by the National Weather Service to be a **hurricane**, typhoon or tropical cyclone.

(e) **Tropical Storm** means a windstorm that has a sustained wind speed of 39 miles per hour or greater or has been declared by the National Weather Service to be a **tropical storm**.

(f) This Additional Coverage does not create any Business Income coverage under any coverage form which provides coverage for Business Income.

(g) All other provisions of this policy apply to this Additional Coverage.

(2). The most we will pay under this Additional Coverage in any one occurrence, regardless of the number of tenants evacuated is the Limit of Insurance shown in the Schedule that applies to this Endorsement for **Emergency Vacating Expense**.

#### s. **COMMUNICABLE DISEASE EXTRA EXPENSE**

(1). We will pay for the actual expense you incur due to a **communicable disease event** occurring at your **premises**. The extra expense must be the result of a **communicable disease event** that has taken place at a covered location.

(2). We will not pay for any loss under this Additional Coverage which is caused directly or indirectly by any of the following:

- (a) Fines or penalties of any kind;
- (b) Any increase of loss or extra expense caused by or resulting from the suspension, lapse or cancellation of any license, lease or contract;
- (c) The cost of replacing actual or suspected contaminated property from the insured location, or any other location.
- (d) Any loss otherwise excluded by an applicable exclusion to this policy.

(3). Exclusion B.2.d.(3), of the Cause of Loss Form does not apply as respects coverage provided under this additional coverage. However, we will not pay under this Additional Coverage if the expense is the result of any other event or action otherwise excluded under this policy.

(4). **Communicable Disease** means any disease caused by a biological agent that is transmitted directly or indirectly from one individual to another.

(5). **Communicable disease event** means that an official public health authority has ordered your premises to be evacuated and disinfected due to the outbreak of a **communicable disease** at the covered location.

(6). For purposes of this Additional Coverage, Extra Expense is limited to:

- (a) The actual expense you incur to evacuate the covered premises due to a **communicable disease event**; and
- (b) The actual expense you incur to disinfect the covered premises of the **communicable disease**; and
- (c) The actual expense you incur to test the covered premises to confirm disinfection of the **communicable disease**.

(7). This Additional Coverage does not create any Business Income coverage under any coverage form which provides coverage for Business Income.

(8). All other provisions of this policy apply to this Additional Coverage.

(9). The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown in the Schedule that applies to this Endorsement for **Communicable Disease Extra Expense**.

#### t **UNINTENTIONAL PROPERTY ERRORS AND OMISSIONS**

(1). Any unintentional error or omission you make in determining or reporting values or in describing the Covered Property or premises shall not void or impair coverage provided by this policy. You must however, report such errors or omissions to us in writing as soon as you discover them. You also agree to pay such additional premium as may be appropriate.

(2). This provision does not apply to loss or damage caused directly or indirectly by flood or earth movement or to property which is otherwise insured by this or any other insurance.

(3). The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown in the Schedule that applies to this Endorsement for **Unintentional Property Errors And Omissions**.

Item A.1.b.(3), Property Not At a Location is deleted and replaced by the following:

#### u. **PROPERTY IN TRANSIT.**

(1). Your Business Personal Property, described under **Items A., B., C.**, and personal **property of others**, is covered while it is:

- (a) **IN THE DUE COURSE OF TRANSIT – INSURED’S VEHICLES.** This covers business personal property which is in, on, connected to or being towed by a vehicle which you own, operate or lease.
- (b) **IN THE CARE, CUSTODY OR CONTROL OF SALESPERSONS.** This covers business personal property while it is away from your **premises** in the care, custody, or control of any of your salesperson(s).

- (c) **IN THE CUSTODY OF CARRIERS FOR HIRE.** This covers business personal property but only while it is in the custody of a carrier for hire which includes any motor vehicle, rail, air express, or air transportation company; and their connecting carriers.

(2). We cover such property against direct physical loss or damage from Special Causes of Loss (Special Form) as described under the Property-Gard Causes of Loss Form

(3). We will not pay under Property in Transit for loss or damage to:

- (a) Property you ship by mail while in the custody of the U.S. Postal Service.
- (b) Property that is waterborne except when on a transporting land conveyance aboard any regular licensed ferry on an inland waterway, and then to include general average and salvage charges for which you may be liable.
- (c) Export shipments after such shipments are loaded on board an exporting conveyance, or on the date such export shipments are covered by a Marine Insurance Policy, or on import shipments until Marine Coverage ceases.
- (d) Property of others carried by you while acting as a common carrier, contract carrier, broker, loader, consolidator or freight forwarder, unless otherwise provided herein.
- (d) Live animals.
- (e) **Fine arts, media, software, and data**, accounts receivable, **valuable papers and records**, or Covered Property while it is in transit to or from a trade show.
- (f) That part of any loss, damage, or expense associated with Property in Transit that is otherwise insured under this Coverage Part or this policy.

(4). As respects coverage provided by Property in Transit, definition H.4. Policy Territory is amended to include the following clause:

The **policy territory** for Property in Transit is within and between the 48 contiguous States of the United States of America; the State of Alaska; the State of Hawaii; the District of Columbia; Puerto Rico and Canada.

(5). The most we will pay for loss, damage, or expense in any one occurrence under this coverage is the greater of the Limit of Insurance shown in the Schedule of this Endorsement that applies to Property in Transit.

#### **v. UTILITY SERVICES COVERAGE - DIRECT DAMAGE**

(1) We will pay for direct physical loss of or damage to Covered Property at the location described in the Declarations, caused by the interruption of service to such location. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to the Utility Services property described in paragraph (2) below, not on a location described in the Declarations.

(2) Utility Services

- (a) Water Supply Services, meaning the following types of property supplying water to the described location:

- (1) Pumping stations; and
  - (2) Water mains.
- (b) Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described location, such as:
- (1) Communication transmission lines, including optic fiber transmission lines;
  - (2) Coaxial cables; and
  - (3) Microwave radio relays except satellites.

Coverage does not extend to any type of overhead transmission, distribution, or communication lines.

- (c) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described location:

- (1) Utility generating plants;
- (2) Switching stations;
- (3) Substations;
- (4) Transformers; and
- (5) Transmission lines.

Coverage does not extend to any type of overhead transmission, distribution, or power lines.

- (3) The most we will pay for loss or damage in any one occurrence under this Additional Coverage is the Limit of Insurance shown in the Schedule that applies to Utility Services Coverage - Direct Damage.

## I. COVERAGE EXTENSIONS

Section A. 5. of the Property-Gard Building and Personal Coverage Form, Coverage Extensions, is amended as follows:

### a. NEWLY ACQUIRED PROPERTY

Section A.5.a. is deleted and replaced with the following:

#### a. Newly Acquired Property

If the Declarations show you have Business Real Property Coverage, we cover the buildings you acquire anywhere in the **policy territory**, except Canada. If the Declarations show you have Business Personal Property Coverage, we cover your business personal property at a newly acquired location anywhere in the **policy territory**, except Canada

The most we will pay for any one loss is, the Limit of Insurance shown in the Schedule that applies to this coverage extension for **Newly Acquired Property** whether the loss occurs to real property or personal property. However, in no event will we pay more for Real or Personal Property than the value of the acquired property. This coverage ends on the earlier of the following dates:

- (1). 180 days from the date you acquire the property; or
- (2). On the date you report the values to us; or
- (3). On the date this policy expires.

When you report the values to us, you will owe us additional premium from the date of acquisition.

**b. (2). PROPERTY OF OTHERS**

Section A.5.b.(2) is deleted and replaced with the following:.

- (2). We cover **property of others** while it is at a covered location. We cover such property against loss from a cause of loss we cover applying to your business personal property at the location.

Unless a Limit of Insurance is shown for **property of others** on the Property Declarations, the most we will pay for this Coverage Extension is the Limit of Insurance shown in the Schedule that applies to this Endorsement for **Property of Others**.

**c. VALUABLE PAPERS AND RECORDS**

Section A.5. c. is deleted and replaced with the following:

- (c). We cover the valuable papers and records you use in **your business** against loss from a cause of loss we cover applying to business personal property at the covered location where the loss occurs. Such papers and records include books, maps, films, drawing, abstracts, deeds, mortgages, and manuscripts and those records that exist in electronic or magnetic media and film, negatives, discs, slides, photographs and videotape. We only cover them while they are in that part of the building you occupy at the covered location.

We will pay the research and other costs necessary to reproduce, replace or restore such papers and records. The most we will pay for this Coverage Extension is the Limit of Insurance shown in the Schedule that applies to this Endorsement for **Valuable Papers and Records**.

**d. PROPERTY OFF-PREMISES**

Section A.5. d. is deleted and replaced with the following:

- d. We cover covered property while it is temporarily away from the covered location to be cleaned repaired or serviced. While at the temporary location, we cover it against loss from a cause of loss we cover applying to the property at the covered location. While in transit to and from the covered location, the Special Causes of Loss apply to such property.

The most we will pay for this Coverage Extension is the Limit of Insurance shown in the Schedule that applies to this Endorsement for **Property off Premises**.

**e. OUTDOOR PROPERTY: TREES, SHRUBS, PLANTS AND LAWNS**

Section A.5. e. is deleted and replaced with the following:

- e. We cover your trees, shrubs, plants and lawns that are outside the covered building when loss is caused by or results from any of the following causes of loss: fire; lightning; aircraft; explosion; riot or civil commotion; smoke; vehicles; vandalism of malicious mischief.

This Coverage Extension is extended to include trees, shrubs, plants and lawns located in parking lots and other paved surfaces if part of the described premises.

The most we will pay for this coverage extension are the Limits of Insurance shown in the Schedule that applies to any one tree, shrub or plant and to all property covered under this Extension in any one occurrence.

f. **EXTRA EXPENSE, EXPEDITING EXPENSE AND LOSS ADJUSTMENT EXPENSE**

Section A.5. f. is deleted and replaced with the following:

f. When a loss covered by this policy occurs, we will pay the extra expense you normally incur to continue or resume your **normal business operations**. We will pay only that part of the total expense that exceeds the amount which ordinarily would have been incurred to conduct **your business**. We will not be liable for any longer period of time than is necessarily required to rebuild, repair or replace the damaged property. This period of time is not limited by the expiration date of the policy.

We will also pay the reasonable cost you incur to expedite repairs to covered property. This includes payment of overtime wages and the extra cost of express or other rapid means of transportation.

We will also pay the extra wages you pay your employees for preparing inventories and other loss data for completing your proof of loss. We do not cover any other expenses incurred in preparing or submitting claims.

The Special Exclusions that apply to The Extra Expense Coverage Form shall apply to this coverage.

The most we will pay for this Coverage Extension is the Limit of Insurance shown in the Schedule that applies to this Endorsement for **Extra Expense, Expediting Expense and Loss Adjustment Expense**.

g. **ACCOUNTS RECEIVABLE**

Section A.5.g. is deleted and replaced with the following:

g. We cover your records of balances including credit card invoice records of balances owed you by your customers while the records are at a covered location. We cover such records against loss from a cause of loss we cover applying to your business personal property at the location.

We will pay the following when they result from loss or damage to those records:

- (1) Sums owed you by customers which you cannot collect;
- (2) Interest charges you must pay on loans to offset impaired collections;
- (3) That part of your collection costs that exceeds your normal costs;
- (4) Other costs you reasonable incur to restore your records.

The most we will pay for this Coverage Extension is the Limit of Insurance shown in the Schedule that applies to this Endorsement for **Accounts Receivable** (including Credit Card Invoices).

**Business Income - Real Estate Owners and Managers Endorsement 143619 04 08**  
Policy Amendment(s) Commercial Property Coverage

This endorsement modifies insurance provided under **Business Income Form (and Extra Expense)**

**SCHEDULE**

<b>COVERAGE DESCRIPTION</b>	<b>LIMIT OF INSURANCE</b>
<b>Real Estate Managers Contract Cancellation</b>	<b>Included</b>
<b>Lost Lease Coverage – Lessor’s Interest</b>	<b>\$ 25,000</b>
<b>Utility Services Coverage - Business Income</b>	<b>\$250,000</b>
<b>Newly Acquired Property Business Income</b>	<b>\$1,000,000</b>
<b>Newly Tenanted Property - Business Income</b>	<b>\$ 250,000</b>
<b>Impaired Tenantability Under Contract of Sale</b>	<b>\$ 250,000</b>
<b>Civil Authority</b>	<b>4 Weeks</b>
<b>Extended Period Of Indemnity</b>	<b>365 Days</b>
<b>Increased Period of Restoration Due To Operation of Building Laws</b>	<b>365 Days</b>

The Limits of Insurance shown in the Schedule of this endorsement are included within the Limits of Liability for Business Income shown in the Declarations. Payments under such coverages will not increase the Limits of Liability for Business Income.

If “0” appears in the Schedule of this Endorsement, or in the Declarations applicable to this Endorsement, no coverage is provided for the described coverage.

If “N/A” is shown for a described coverage or the described coverage does not have a corresponding Limit of Insurance shown in the Schedule of this Endorsement, or in the Declarations applicable to this Endorsement, no coverage is provided for the described coverage.

If “Included” appears in the Schedule of this Endorsement, the applicable Limit of Insurance is specified in the Declarations of this policy.

Information required to complete this schedule, if not shown above, will be shown in the declarations.

**A. REAL ESTATE MANAGERS CONTRACT CANCELLATION**

The following is added to item A.1., Business Income of the Business Income Coverage Form (and Extra Expense):

- c. Net Income (Net Profit or Loss before income taxes) includes income which would have been earned from Property Management contracts which have been cancelled due to a Covered Cause of Loss.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy.



Secretary



President

## B. LOST LEASE COVERAGE - LESSORS INTEREST

The following is added to item A.3., Additional Coverages of the Business Income Coverage Form (and Extra Expense):

### e. Lost Lease Coverage – Lessors Interest

(1) We will pay for loss you sustain due to the cancellation of real estate leases by your tenants but only if the reason for cancellation of the lease is direct physical loss or damage to the leased premises which was caused by or resulting from a Covered Cause of Loss during the policy period.

(2) We will not pay for any loss caused by:

- (a) Your cancellation of the real estate lease;
- (b) The suspension, lapse or cancellation of any license; or
- (c) Any other consequential loss.

(3) The most we will pay under this coverage is:

The difference between the rent actually paid at the described premises and the anticipated **rental value** of the described premises that you lease for the lesser of:

- (a) 12 months immediately following the **period of restoration**; or
- (b) For the period beginning with the end of the **period of restoration** and ending with the normal expiration date of each canceled lease; or
- (c) The Limit of Insurance shown in the Schedule that applies to **Lost Lease Coverage – Lessors Interest**;

The number of tenants who cancel leases will not increase the limit of Insurance. The expiration date of this policy will not cut short the duration of the coverage provided by this extension.

## C. UTILITY SERVICES COVERAGE

The following is added to item A.3., Additional Coverages of the Business Income Coverage Form (and Extra Expense):

### f. Utility Service Coverage

(1) We will pay for your loss of Business Income at the location described in the Declarations, caused by the interruption of service to such location. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to the Utility Services property described in paragraph (2) below, not on location described in the Declarations.

(2) Utility Services

(a) Water Supply Services, meaning the following types of property supplying water to the described location:

- (1) Pumping stations; and
- (2) Water mains.

(b) Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described location, such as:

- (1) Communication transmission lines, including optic fiber transmission lines;

- (2) Coaxial cables; and
- (3) Microwave radio relays except satellites.

Coverage does not extend to any type of overhead transmission, distribution, or communication lines.

- (c) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described location:
  - (1) Utility generating plants;
  - (2) Switching stations;
  - (3) Substations;
  - (4) Transformers; and
  - (5) Transmission lines.

Coverage does not extend to any type of overhead transmission, distribution, or power lines.

- (3) We will only pay for loss you sustain after the first twenty four (24) hours following loss of service caused by the direct physical loss or damage to the utility services property described in paragraph (2) above.
- (4) The most we will pay for loss or damage in any one occurrence under this Additional Coverage is the Limit of Insurance shown in the Schedule that applies to **Utility Services Coverage – Business Income**.

#### **D. COVERAGE EXTENSIONS**

Item A.4., of the Business Income Coverage Form (and Extra Expense) is deleted and replaced by the following:

##### 4. Coverage Extensions

If a Coinsurance percentage of 50% or more is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

##### a. Newly Acquired Locations

- (1) We cover your Business Income at newly acquired locations anywhere in the policy territory, except Canada.
- (2) The most we will pay for this Coverage Extension for any one loss is the Limit of Insurance shown in the Schedule that applies to Newly Acquired Property - Business Income.
- (3) This coverage ends on:
  - (a) 180 days from the date you acquire the property; or
  - (b) On the date you report the values to us; or
  - (c) On the date this policy expires;

whichever occurs first.

When you report the values to us, you will owe us additional premium from the date of acquisition of the newly acquired property.

This Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

b. Newly Tenanted Property

(1) We cover your Business Income at locations described in the Declarations which were previously vacant and are now leased to a tenant, if you have not yet reported the values to us.

(2) The most we will pay for this Coverage Extension for any one loss is the Limit of Insurance shown in the Schedule that applies to Newly Tenanted Property - Business Income.

(3) This coverage ends on:

(a) 180 days from the date you lease the previously vacant property to a tenant; or

(b) On the date you report the values to us; or

(c) On the date this policy expires;

whichever occurs first.

When you report the values to us, you will owe us additional premium from the date the previously vacant property was leased to a tenant.

This Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

c. Impaired Tenantability Under Contract of Sale

(1) If tenantability is impaired on the date operations begin at a newly acquired property due to direct physical loss or damage to the property caused by or resulting from a Covered Cause of Loss occurring before you acquired the property but while the property was under contract of sale to you, we will pay for the actual loss of Business Income you sustain during the period that:

(a) Begins on the date operations begin at the property; and

(b) Ends on the earlier of:

(i) 180 days from the date operations begin at the property; or

(ii) The date the property should be repaired, rebuilt or replaced with reasonable speed and similar quality; or

(iii) The date this policy expires.

(2) Contract of sale means a written contract to purchase the property with all sales contingencies described in such contract having been removed through a written notice to the seller of the property.

- (3) The most we will pay for this Coverage Extension for any one loss is the lesser of:
- (a) The difference between the rents actually paid at the property when operations begin at the property and the rental value of the property that would have existed if no direct physical loss or damage to the property occurred while the property was under contract of sale to you.
  - (b) The Limit of Insurance shown in the Schedule that applies to Impaired Tenantability Under Contract of Sale.

This Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

#### **E. CIVIL AUTHORITY**

Item A.3.b., of the Business Income Coverage Form (and Extra Expense) is deleted and replaced by the following:

- b. We will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises due to direct physical loss of or damage to property, other than at the described premises, caused by or resulting from any Covered Cause of Loss. This coverage will apply for a period of up to the number of consecutive weeks from the date of that action shown in the schedule for **Civil Authority**.

#### **F. EXTENDED BUSINESS INCOME**

Item A.3.d., Extended Business Income, of the Business Income Coverage Form (and Extra Expense) is deleted and replaced by the following:

- d. Extended Business Income

We will pay for the actual loss of Business Income you incur during the period that:

- (1) Begins on the date property (except **finished stock**) is actually repaired, rebuilt or replaced and **operations** are resumed; and
- (2) Ends on the earlier of:
  - (a) The date you could restore your operations, with reasonable speed, to the condition that would have existed if no direct physical loss or damage occurred; or
  - (b) The number of days shown in the schedule of this endorsement.

Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

#### **G. INCREASED PERIOD OF RESTORATION DUE TO OPERATION OF BUILDING LAWS**

If your policy provides ordinance or law coverage providing for the:

- 1. Loss to the undamaged portion of the building; or
- 2. Complete or partial demolition of any part of the undamaged portion of a building; or
- 3. Increased cost to repair or reconstruct or remodel the damaged or undamaged portions of a building,

due to the enforcement of any building, zoning or land use ordinance or law at the location where the loss or damage occurred,

Then, Item G.,3., of the Business Income Coverage Form is deleted for the location(s) to which the coverage applies and replaced by the following:

3. **Period of restoration** means the period of time that:

- a. Begins with the date of direct physical loss or damage caused by or resulting from and Covered Cause of Loss at the described premises; and
- b. Ends on the date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality.

**Period of restoration** includes the increased period required to repair or reconstruct the property to comply with the minimum standards of any ordinance or law, in force at the time of loss that regulates the construction or repair, or requires the tearing down of any property. The increased period of time will extend up to but not exceed one year from the date when the property at the described premises should have been repaired, rebuilt or replaced using reasonable speed and similar quality, had there been no ordinance or law imposed on such construction or repair.

**Period of Restoration** does not include any increased period required due to the enforcement of any ordinance or law that:

- (1) requires the removal of **asbestos**; or
- (2) requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**.

The expiration date of this policy will not cut short the **period of restoration**.

**Property-Gard - Real Estate Owners And Managers Crime Protection  
143620 (04-08)**

Policy Amendment (S) Commercial Property Coverage

This endorsement modifies insurance provided under Property-Gard Building and Personal Property Coverage Form

**SCHEDULE**

<b>COVERAGE DESCRIPTION</b>	<b>LIMIT OF INSURANCE</b>
<b>Money, Checks And Stamps</b>	<b>\$ 10,000</b>
<b>Money Orders And Counterfeit Currency</b>	<b>\$ 25,000</b>
<b>Employee Theft – Limited</b>	
<b>Per Occurrence</b>	<b>\$ 25,000</b>
<b>Annual Aggregate</b>	<b>\$ 50,000</b>
<b>Forgery or Alteration – Limited</b>	
<b>Per Occurrence</b>	<b>\$ 25,000</b>
<b>Annual Aggregate</b>	<b>\$ 50,000</b>

Information required to complete this schedule, if not shown above, will be shown in the declarations.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy.



Secretary



President

## ADDITIONAL COVERAGES

### MONEY, CHECKS AND STAMPS

Section A. 4. f. of the Property-Gard Building And Personal Coverage Form, Additional Coverages, is deleted and replaced with the following:

- f. Money, Checks, Stamps, and Securities
  - (1) We cover **money**, checks, stamps and **securities** you use in **your business** as shown by your records. We cover them while they are contained within the **premises** at locations described in the Declarations. We also cover them while they are being carried to or from a covered location in the care, custody, or control of a **messenger** or an armored motor vehicle company.
  - (2) We cover such property against direct physical loss or damage caused by or resulting from a Covered Cause of Loss applying to Your Business Personal Property at the location described in the Declarations.
  - (3) We do not cover any loss caused by or resulting from forgery; alterations; the giving or surrendering of checks, **money** or **securities** in exchange or purchase; or accounting or arithmetic errors or omissions.
  - (4) Item C.4. Money, Checks and Stamps located in the Property-Gard Building and Personal Property Coverage Form (142000) is deleted and replaced with the following: Money, Checks, Stamps, and Securities.
  - (5) The most we will pay for loss, damage, or expense in any one occurrence under this Additional Coverage, regardless of the amount of **money**, or number of checks, stamps, or **securities** lost or damaged, is the Limit of Insurance shown in the Schedule of this Endorsement that applies to Money, Checks, Stamps, and Securities.

### MONEY ORDERS AND COUNTERFEIT PAPER CURRENCY

Section A. 4. g. of the Property-Gard Building And Personal Coverage Form, Additional Coverages, is deleted and replaced with the following:

- g. Money Orders and Counterfeit Paper Currency
  - (1) We will pay for your loss which directly results from you accepting the following in good faith, in exchange for merchandise, **money** or services:
    - (a) Money orders (including **counterfeit** money orders, purporting to have been issued by any United States or Canadian post office, express company, or national, state, or Canadian chartered bank) not paid upon presentation; or
    - (b) **Counterfeit** United States or Canadian paper currency.
  - (2) The most we will pay for loss, damage, or expense in any one occurrence under this Additional Coverage, regardless of the number of items contributing to the loss, is the Limit of Insurance shown in the Schedule of this Endorsement that applies to Money Orders and Counterfeit Paper Currency.

## **EMPLOYEE THEFT – LIMITED and FORGERY or ALTERATION – LIMITED**

Section A.4. of the Property-Gard Building and Personal Property Coverage Form, Additional Coverages, is amended to include the following:

### A. Employee Theft - Limited

We will pay for loss of or damage to **money, securities and other property** resulting directly from **theft** committed by an **employee**, whether identified or not, acting alone or in collusion with other persons.

### B. Forgery or Alteration - Limited

We will pay for loss resulting directly from **forgery** or alteration of checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in **money** that are:

- 1) Made or drawn by or drawn upon you; or
- 2) Made or drawn by one acting as your agent;

or that are purported to have been so made or drawn.

### C. The following exclusions apply to Employee Theft – Limited and Forgery or Alteration – Limited.:

- 1) Loss resulting from **theft** or any other dishonest act committed by:

- a) You; or
- b) Any of your partners or **members**;

whether acting alone or in collusion with other persons.

- 2) Loss resulting from **theft** or any other dishonest act committed by any of your **employees, managers, directors, trustees** or authorized representatives:

- a) Whether acting alone or in collusion with other persons; or
- b) While performing services for you or otherwise;

except when covered under Employee Theft - Limited.

- 3) Loss that is an indirect result of any act or **occurrence** covered by Employee Theft - Limited and Forgery or Alteration – Limited, including but not limited to, loss resulting from:

- a) Your inability to realize income that you would have realized had there been no loss of or damage to **money, securities or other property**.
- b) Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under Employee Theft – Limited and Forgery or Alteration - Limited.
- c) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under Employee Theft – Limited and Forgery or Alteration - Limited.

- 4) Expenses related to any legal action.

- 5) The following coverage clauses do not apply to this Additional Coverage:

- a) Extra Expense, Expediting Expense and Loss Adjustment Expense;
- b) Loss Adjustment Expense;
- c) Business Income Coverage Form (and Extra Expense).

D. The following exclusions apply to Employee Theft – Limited:

- 1) Loss caused by any **employee** of yours, or predecessor in interest of yours, for whom similar prior insurance has been cancelled and not reinstated since the last such cancellation.
- 2) Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:
  - a) An inventory computation; or
  - b) A profit and loss computationHowever, where you establish wholly apart from such computations that you have sustained a loss, then you may offer your inventory records and actual physical count of inventory in support of the amount of loss claimed.
- 3) Loss resulting directly or indirectly from trading, whether in your name or in a genuine or fictitious account.
- 4) Loss resulting from fraudulent or dishonest signing, issuing, canceling or failing to cancel, a warehouse receipt or any papers connected with it.

E. The following Conditions apply in addition to the Common Policy Conditions:

- 1) This insurance is cancelled as to any **employee**:
  - a) Immediately upon discovery by:
    - (1) You; or
    - (2) Any of your partners, **members, managers**, officers, directors or trustees not in collusion with the **employee**;  
  
of **theft** or any other dishonest act committed by the **employee** whether before or after becoming employed by you.
  - b) On the date specified in a notice mailed to the first Named Insured. That date will be at least 30 days after the date of mailing. We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.
- 2) We will pay only for loss that you sustain through acts committed or events occurring during the policy period shown in the Declarations and discovered by you:
  - a) During the policy period; or
  - b) No later than 1 year from the date of termination or cancellation of this insurance. However, this extended period to discover loss terminates immediately upon the effective date of any other insurance obtained by you replacing in whole or in part the insurance afforded hereunder, whether or not such other insurance provides coverage for loss sustained prior to its effective date.
- 3) If any loss is covered:
  - a) Partly by this insurance; and

- b) Partly by any prior cancelled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest;

the most we will pay are the Limits of Insurance shown in the Schedule of this endorsement.

Regardless of the number of years this insurance remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or policy period to policy period.

- 4) The property covered under this insurance is limited to property:

- a) That you own or lease;
- b) That you hold for others; or
- c) For which you are legally liable

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization. Any claim for loss that is covered under this insurance must be presented by you.

- 5) We will treat signatures that are produced or reproduced electronically, mechanically or by other means the same as handwritten signatures.

#### F. Limit Of Insurance

- 1) The most we will pay for loss, damage, or expense in any one occurrence under this Additional Coverage are the Per Occurrence Limits of Insurance shown in the Schedule of this Endorsement applicable to Employee Theft – Limited and Forgery or Alteration – Limited.
- 2) The most we will pay for loss, damage, or expense in all occurrences in any one policy period under this Additional Coverage are the Annual Aggregate Limits of Insurance shown in the Schedule of this Endorsement applicable to Employee Theft – Limited and Forgery or Alteration – Limited.

#### DEFINITIONS

1. **Counterfeit** means an imitation of an actual valid original that is intended to deceive and to be taken as the original.

2. **Employee:**

a. **Employee** means:

(1) Any natural person:

- (a) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to **theft** or any dishonest act committed by the **employee**;
- (b) Who you compensate directly by salary, wages or commissions; and
- (c) Who you have the right to direct and control while performing services for you;

(2) Any natural person who is furnished temporarily to you:

- (a) To substitute for a permanent **employee** as defined in Paragraph a.(1), who is on leave; or
- (b) To meet seasonal or short-term work load conditions;

while that person is subject to your direction and control and performing services for you, excluding, however, any such person while having care and custody of property outside the **premises**;

- (3) Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph a.(2);

b. **Employee** does not mean:

- (1) any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
- (2) Any **manager**, director or trustee except while performing acts coming within the scope of the usual duties of an **employee**.

3. **Forgery** means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.

4. **Funds** means **money** and **securities**.

5. **Manager** means a person serving in a directorial capacity for a limited liability company.

6. **Member** means an owner of a limited liability company represented by its membership interest, who also may serve as a **manager**.

7. **Messenger** means you, or a relative of yours, or any of your partners or **members**, or any **employee** while having care and custody of **money**, checks, stamps and **securities** outside the **premises**.

8. **Occurrence** means:

a. As respects Employee Theft - Limited, all loss caused by, or involving, one or more **employees**, whether the result of a single act or series of acts.

b. As respects Forgery or Alteration - Limited, all loss caused by any person or in which that person is involved, whether the loss involves one or more instruments.

9. **Other property** means any tangible property other than **money** and **securities** that has intrinsic value. **Other property** does not include any property excluded under Employee Theft - Limited and Forgery or Alteration - Limited.

10. **Securities** means negotiable and nonnegotiable instruments or contracts representing either **money** or property and includes:

a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and

b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include **money**.

11. **Theft** means the unlawful taking of **money, securities** or **other property** to the deprivation of the Insured.

**Property-Gard Select Real Estate Owners and Managers Endorsement  
190087 04 08**

Policy Amendment(s) Commercial Property Coverage

This endorsement modifies Insurance provided under the Property-Gard Select Coverage Section, the Property-Gard Select Real Estate Business Income with Extra Expense Coverage and the MORE-TO-SELECT Property-Gard Select Endorsement.

**SCHEDULE**

<b>COVERAGE DESCRIPTION</b>	<b>LIMIT OF INSURANCE</b>
Communicable Disease Extra Expense	\$100,000
Emergency Vacating Expense	\$100,000
Alternative Key Systems	\$250,000
Realty Tax – Increased Assessment	\$ 50,000
Limit	\$ 50,000
Maximum Annual Assessment Period(s)	One Year
Reward	\$ 25,000
Property In Transit	\$ 25,000
Utility Services Coverage - Direct Damage	\$ 50,000

**Optional Deductibles:**

\_\_\_ \$1,000      \_\_\_ \$2,500      \_\_\_ \$5,000      \_\_\_ \$10,000      \_\_\_ Policy Deductible

**PROPERTY-GARD SELECT REAL ESTATE BUSINESS INCOME WITH EXTRA EXPENSE  
COVERAGE**

Real Estate Managers Contract Cancellation	Included
Extended Period of Indemnity	365 days
Utility Services Coverage - Business Income	\$ 250,000
Newly Tenanted Property - Business Income	\$ 250,000
Impaired Tenantability Under Contract of Sale	\$250,000
Increased Period of Restoration Due To	
Operation of Building Laws	365 Days
Civil Authority	30 Days

Unless specifically and expressly provided for herein , the coverage granted by this endorsement does not provide nor will it invoke coverage for loss of use, loss of business income, loss of rental income, or extra expense. Coverage for any loss of use, loss of business income, loss of rental income, or extra expense, if specifically offered within the policy, will be solely governed by the conditions of the relevant business income, rental income, or extra expense form.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy.



Secretary



President

This form must be attached to change endorsement when issued after the policy is written.

If "0" appears in the Schedule of this Endorsement, or in the Declarations applicable to this Endorsement, no coverage is provided for the described coverage.

If "N/A" is shown for a described coverage or the described coverage does not have a corresponding Limit of Insurance shown in the Schedule of this Endorsement, or in the Declarations applicable to this Endorsement, no coverage is provided for the described coverage.

If "Included" appears in the Schedule of this Endorsement, the applicable Limit of Insurance is specified in the Declarations of this policy.

Information required to complete this schedule, if not shown above, will be shown in the declarations.

## A. EXTENSIONS OF COVERAGE

Section F. of the Property-Gard Select Real And Personal Property Coverage Section, Extensions Of Coverage is amended as follows:

### 11. COMMUNICABLE DISEASE EXTRA EXPENSE

a. We will pay for the actual expense you incur due to a **communicable disease event** occurring at your **premises**. The extra expense must be the result of a **communicable disease event** that has taken place at a covered location.

b. We will not pay for any loss under this Extension of Coverage which is caused directly or indirectly by any of the following:

- (1). Fines or penalties of any kind;
- (2). Any increase of loss or extra expense caused by or resulting from the suspension, lapse or cancellation of any license, lease or contract;
- (3). The cost of replacing actual or suspected contaminated property from the insured location, or any other location.
- (4). Any loss otherwise excluded by an applicable exclusion to this policy.

c. **Communicable Disease** means any disease caused by a biological agent that is transmitted directly or indirectly from one individual to another.

d. **Communicable disease event** means that an official Public Health Authority has ordered that your premises be evacuated and disinfected due to the outbreak of a **communicable disease** at the covered location.

e. For purposes of this Extension of Coverage, Extra Expense is limited to:

- (1) The actual expense you incur to evacuate the covered premises due to a **communicable disease event**; and
- (2) The actual expense you incur to disinfect the covered premises of the **communicable disease**; and
- (3) The actual expense you incur to test the covered premises to confirm disinfection of the **communicable disease**.

f. This Extension of Coverage does not create any Business Income coverage under any coverage form which provides coverage for Business Income.

g. All other provisions of this policy apply to this Extension of Coverage.

h. The most we will pay under this Extension of Coverage in any one occurrence is the Limit of Insurance shown in the Schedule that applies to this Endorsement for **Communicable Disease Extra Expense**.

### 12. EMERGENCY VACATING EXPENSE

a. We will pay for the reasonable expense you incur in the evacuation of tenants from insured buildings because of an **emergency**.

- b. We will not pay for any expense for the **emergency** evacuation of any tenant if the **emergency** evacuation is a result of:
- (1) A planned evacuation drill;
  - (2) Strike;
  - (3) Governmental Action, Nuclear Hazard or War and Military Action as excluded by this policy;
  - (4) A named **tropical storm** or **hurricane**. Including the period of time 72 hours prior to becoming a **hurricane** or **tropical storm** as declared by the National Weather Service, the entire duration of the **hurricane** or **tropical storm** and the 72 hours immediately following the downgrading of a **hurricane** or **tropical storm** by the National Weather Service; or
  - (5) any other event or action otherwise excluded under this policy.
- c. This coverage only applies if you report the expense to us in writing no later than sixty (60) days from the date of the **emergency** evacuation or from the end of the policy period, whichever is first.
- d. **Emergency** as used in this Extension of Coverage means an unforeseen event or a condition on your **premises** which puts your tenants in imminent danger of direct physical harm or loss of life.
- e. **Hurricane** means a windstorm that has a sustained wind speed of 74 miles per hour or greater or has been declared by the National Weather Service to be a **hurricane**, typhoon or tropical cyclone.
- f. **Tropical Storm** means a windstorm that has a sustained wind speed of 39 miles per hour or greater or has been declared by the National Weather Service to be a **tropical storm**.
- g. This Extension of Coverage does not create any Business Income coverage under any coverage form which provides coverage for Business Income.
- h. All other provisions of this policy apply to this Extension of Coverage.

The most we will pay under this Extension of Coverage in any one occurrence, regardless of the number of tenants evacuated is the Limit of Insurance shown in the Schedule that applies to this Endorsement Part for **Emergency Vacating Expense**.

### 13. ALTERNATIVE KEY SYSTEMS

- a. We will pay for loss or damage to, or cost to reprogram, **alternative key systems**, including card programmers, card-readers, computers, related alarms, transceivers, power supplies and any other electronic or mechanical apparatus needed to make the card keys work. The loss must be caused by a Covered Cause of Loss and take place at a covered location.
- b. **Alternative key systems** means programmable keying systems, such as mechanically or electronically coded key cards.
- c. The most we will pay for loss or damage under this Extension of Coverage is the Limit of Insurance shown in the above Schedule for **Alternative Key Systems**.

### 14. REALTY TAX COVERAGE – INCREASED ASSESSMENT

a. If a Covered Cause of Loss results in direct physical loss or damage to Covered Property at a location described in the Declarations, we will reimburse you for the increased realty tax liability attributable to the construction, repair, rebuilding, or reconstruction of the damaged property as covered by this policy.

b. We will pay for such increased realty tax liability if it is assessed within 2 years of a covered loss. However, we will only pay such increased assessment following any realty tax assessment that is insured under this coverage for the tax period(s) shown in the schedule for **Realty Tax – Increased Assessment Maximum Annual Assessment Period**.

c. The most we will pay under this Extension of Coverage for any one loss is the Limit of Insurance shown in the above Schedule for **Realty Tax – Increased Assessment**.

## 15. REWARD

a. If covered property sustains direct physical loss or damage caused by or resulting from a Covered Cause of Loss, and the origin of such loss is determined to be the criminal acts of an individual or individuals, we will pay a reward to the person or persons who provide information that leads to the arrest and conviction of the individual or individuals responsible for the loss.

b. The most we will pay under this Extension of Coverage is the Limit of Insurance shown in the Schedule that applies to this Endorsement Part for **Reward**, regardless of the number of persons providing information that leads to the arrest and conviction of the individual or individuals responsible for such loss.

c. No deductible applies to this Extension of Coverage.

## 16. PROPERTY IN TRANSIT

Item C.10., (Property not Insured) of the Property-Gard Select Real and Personal Property Coverage Section is deleted. The following Extension of Coverage is added:

a. Your Business Personal Property and personal **property of others**, is covered while it is:

- (1) **IN THE DUE COURSE OF TRANSIT – INSURED’S VEHICLES.** This covers business personal property which is in, on, connected to or being towed by a vehicle which you own, operate or lease.
- (2) **IN THE CARE, CUSTODY OR CONTROL OF SALESPERSONS.** This covers business personal property while it is away from your **premises** in the care, custody, or control of any of your salesperson(s).
- (3) **IN THE CUSTODY OF CARRIERS FOR HIRE.** This covers business personal property but only while it is in the custody of a carrier for hire which includes any motor vehicle, rail, air express, or air transportation company; and their connecting carriers.

b. We cover such property against direct physical loss or damage as provided by The Property-Gard Real and Personal Property Coverage Section.

c. We will not pay under Property in Transit for loss or damage to:

- (1) Property you ship by mail while in the custody of the U.S. Postal Service.
- (2) Property that is waterborne except when on a transporting land conveyance aboard any regular licensed ferry on an inland waterway, and then to include general average and salvage charges for which you may be liable.
- (3) Export shipments after such shipments are loaded on board an exporting conveyance, or on the date such export shipments are covered by a Marine Insurance Policy, or on import shipments until Marine Coverage ceases.
- (4) Property of others carried by you while acting as a common carrier, contract carrier, broker, loader, consolidator or freight forwarder, unless otherwise provided herein.
- (5) Live animals.
- (6) **Fine arts, media, software, and data**, accounts receivable, **valuable papers and records**, or Covered Property while it is in transit to or from a trade show.
- (7) That part of any loss, damage, or expense associated with Property in Transit that is otherwise insured under this Coverage Part or this policy.

d. The most we will pay for loss, damage, or expense in any one occurrence under this coverage is the greater of the Limit of Insurance shown in the Schedule of this Endorsement that applies to Property in Transit.,

## 17. UTILITY SERVICES COVERAGE - DIRECT DAMAGE

a. We will pay for direct physical loss of or damage to Covered Property at the location described in the Declarations, caused by the interruption of service to such location. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to the Utility Services property described in paragraph (b) below, not on a location described in the Declarations.

b. Utility Services

(1) Water Supply Services, meaning the following types of property supplying water to the described location:

- (a) Pumping stations; and
- (b) Water mains.

(2) Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described location, such as:

- (a) Communication transmission lines, including optic fiber transmission lines;
- (b) Coaxial cables; and
- (c) Microwave radio relays except satellites.

Coverage does not extend to any type of overhead transmission, distribution, or communication lines.

(3) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described location:

- (a) Utility generating plants;
- (b) Switching stations;
- (c) Substations;
- (d) Transformers; and
- (e) Transmission lines.

Coverage does not extend to any type of overhead transmission, distribution, or power lines.

c. The most we will pay for loss or damage in any one occurrence under this Additional Coverage is the Limit of Insurance shown in the Schedule that applies to Utility Services Coverage - Direct Damage.

## **B. ADDITIONAL COVERAGE BUSINESS INCOME**

If the Declarations show you have Property-Gard Select Endorsement -Business Income Coverage With Extra Expense, coverage is amended as follows:

### **1. REAL ESTATE MANAGERS CONTRACT CANCELLATION**

The following is added to the definition of **Business Income**, item G.1., Additional Definitions of the Property-Gard Select Business Income With Extra Expense coverage form:

**Business Income** includes income which would have been earned from Property Management contracts which have been cancelled due to a **Covered Cause of Loss**.

### **2. EXTENDED PERIOD OF INDEMNITY**

The following are added to item C, Additional Coverages of the Property-Gard Select Business Income With Extra Expense Coverage Form:

#### **4. Extended Period of Indemnity**

We will pay for the actual loss of Business Income you incur during the period that:

- a. Begins on the date property (except **finished stock**) is actually repaired, rebuilt or replaced and **operations** are resumed; and
- b. Ends on the earlier of:
  - (1) The date you could restore your operations, with reasonable speed, to the condition that would have existed if no direct physical loss or damage occurred; or

(2) 365 consecutive days after the date determined in (1) above.

Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

### 3. UTILITY SERVICE COVERAGE

The following are added to item C, Additional Coverages of the Property-Gard Select Business Income With Extra Expense Coverage Form:

#### 5. Utility Service Coverage

- a. We will pay for loss of Business Income at the location described in the Declarations, caused by the interruption of service to such location. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to the Utility Services property described in paragraph (2) below, not on location described in the Declarations.
- b. Utility Services
  - (1) Water Supply Services, meaning the following types of property supplying water to the described location:
    - (a) Pumping stations; and
    - (b) Water mains.
  - (2) Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described location, such as:
    - (a) Communication transmission lines, including optic fiber transmission lines;
    - (b) Coaxial cables; and
    - (c) Microwave radio relays except satellites.Coverage does not extend to any type of overhead transmission, distribution, or communication lines.
  - (3) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described location:
    - (a) Utility generating plants;
    - (b) Switching stations;
    - (c) Substations;
    - (d) Transformers; and
    - (e) Transmission lines.Coverage does not extend to any type of overhead transmission, distribution, or power lines.
- c. We will only pay for loss you sustain after the first twenty four (24) hours following loss of service caused by the direct physical loss or damage to the utility services property described in paragraph (2) above.
- d. The most we will pay for loss or damage in any one occurrence under this Additional Coverage is the Limit of Insurance shown in the Schedule that applies to **Utility Services Coverage**.

- e. The Limits of Insurance shown in the Schedule of this endorsement for Utility Services Coverage are included within the Limits of Liability for Business Income shown in the Declarations. Payments under such coverages will not increase the Limits of Liability for Business Income.

#### 4. NEWLY TENANTED PROPERTY - BUSINESS INCOME

The following are added to item C, Additional Coverages of the Property-Gard Select Business Income With Extra Expense Coverage Form:

##### 6. Newly Tenanted Property - Business Income

- a. We will cover your Business Income at locations described in the Declarations which were previously vacant and are now leased to a tenant, if you have not yet reported the values to us.
- b. The most we will pay for any one loss under this Additional Coverage is the Limit of Insurance shown in the Schedule that applies to **Newly Tenanted Property - Business Income**.
- c. This coverage ends 120 days from the date you lease the property to a tenant, on the date you report the values to us, or on the date this policy expires, whichever occurs first. When you report the values to us, you will owe us additional premium from the date the property was leased to a tenant.
- d. Item E. Coinsurance Provisions, of the Property-Gard Select Endorsement - Business Income with Extra Expense Coverage does not apply to this Additional Coverage.

#### 5. IMPAIRED TENANTABILITY UNDER CONTRACT OF SALE

The following are added to item C, Additional Coverages of the Property-Gard Select Business Income With Extra Expense Coverage Form:

##### 7. Impaired Tenantability Under Contract of Sale

- a. If tenantability is impaired on the date **operations** begin at a newly acquired property due to direct physical loss or damage to the property caused by or resulting from a **covered cause of loss** occurring before you acquired the property but while the property was under **contract of sale** to you, we will pay for the actual loss of **Business Income** and **Rental Value** you sustain during the period that:
  - (1) Begins on the date **operations** begin at the property; and
  - (2) Ends 120 days from the date **operations** begin at the property, on the date the property should be repaired, rebuilt or replaced with reasonable speed and similar quality, or on the date this policy expires, whichever occurs first.
- b. **Contract of sale** means a written contract to purchase the property with all sales contingencies described in such contract having been removed through a written notice to the seller of the property.

- c. The most we will pay for any one loss under this Additional Coverage is:
- (1) The difference between the rents actually paid at the property when **operations** begin at the property and the **rental value** of the property that would have existed if no direct physical loss or damage to the property occurred while the property was under **contract of sale** to you; or.
  - (2) The Limit of Insurance shown in the Schedule that applies to **Impaired Tenantability Under Contract of Sale**.
- whichever is less.
- d. Item E. Coinsurance Provisions, of the Property-Gard Select Endorsement - Business Income with Extra Expense Coverage does not apply to this Additional Coverage.

## 6. INCREASED PERIOD OF RESTORATION DUE TO OPERATION OF BUILDING LAWS

Item G.6., of the Business Income Coverage Form is deleted and replaced by the following:

6. **Period of restoration** means the period of time that begins with the date of direct physical loss or damage caused by or resulting from any **covered cause of loss** at the described premises and ends on the date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality.

**Period of Restoration** includes the increased period required to repair or reconstruct the property to comply with the minimum standards of any ordinance or law, in force at the time of loss that regulates the construction or repair, or requires the tearing down of any property. The increased period of time will extend up to but not exceed one year from the date when the property at the described premises should have been repaired, rebuilt or replaced using reasonable speed and similar quality, had there been no ordinance or law imposed on such construction or repair.

**Period of Restoration** does not include any increased period required due to the enforcement of any ordinance or law that:

- a. requires the removal of **asbestos**; or
- b. requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**.

The expiration date of this policy will not cut short the **period of restoration**.

## 7. CIVIL AUTHORITY

Item C. 2. Civil Authority, of the Property-Gard Select Business Income with Extra Expense Coverage endorsement is deleted and replaced by the following:

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises due to direct physical loss of or damage to property, other than at the described premises, caused by or resulting from any Covered Cause of Loss. This coverage will apply for a period of up to the number of consecutive days from the date of that action shown in the schedule for **Civil Authority**.

**Property-Gard Select Real Estate Owners and Managers Crime Protection  
190088 (04-08)**

Policy Amendment(S) Commercial Property Coverage

This endorsement modifies Insurance provided under the Property-Gard Select Coverage Section

**SCHEDULE**

<b>COVERAGE DESCRIPTION</b>	<b>LIMIT OF INSURANCE</b>
<b>Employee Theft – Limited</b>	
<b>Per Occurrence</b>	<b>\$ 25,000</b>
<b>Annual Aggregate</b>	<b>\$ 50,000</b>
<b>Forgery or Alteration – Limited</b>	
<b>Per Occurrence</b>	<b>\$ 25,000</b>
<b>Annual Aggregate</b>	<b>\$ 50,000</b>

Information required to complete this schedule, if not shown above, will be shown in the declarations.

**COVERAGES EXTENSIONS**

Section F. of the Property-Gard Select Real And Personal Property Coverage Section, Extensions Of Coverage is amended as follows:

**EMPLOYEE THEFT – LIMITED and FORGERY or ALTERATION – LIMITED**

A. Employee Theft - Limited

We will pay for loss of or damage to **money, securities and other property** resulting directly from **theft** committed by an **employee**, whether identified or not, acting alone or in collusion with other persons.

B. Forgery or Alteration - Limited

We will pay for loss resulting directly from **forgery** or alteration of checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in **money** that are:

- 1) Made or drawn by or drawn upon you; or
- 2) Made or drawn by one acting as your agent;

or that are purported to have been so made or drawn.

This Form must be attached to Change Endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy.



Secretary



President

C. The following exclusions apply to Employee Theft – Limited and Forgery or Alteration – Limited.:

- 1) Loss resulting from **theft** or any other dishonest act committed by:
  - a) You; or
  - b) Any of your partners or **members**;whether acting alone or in collusion with other persons.
- 2) Loss resulting from **theft** or any other dishonest act committed by any of your **employees**, **managers**, directors, trustees or authorized representatives:
  - a) Whether acting alone or in collusion with other persons; or
  - b) While performing services for you or otherwise;except when covered under Employee Theft - Limited.
- 3) Loss that is an indirect result of any act or **occurrence** covered by Employee Theft - Limited and Forgery or Alteration – Limited, including but not limited to, loss resulting from:
  - a) Your inability to realize income that you would have realized had there been no loss of or damage to **money**, **securities** or **other property**.
  - b) Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under Employee Theft – Limited and Forgery or Alteration - Limited.
  - c) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under Employee Theft – Limited and Forgery or Alteration - Limited.
- 4) Expenses related to any legal action.
- 5) The following coverage clauses do not apply to this Additional Coverage:
  - a) Extra Expense, Expediting Expense and Loss Adjustment Expense;
  - b) Loss Adjustment Expense;
  - c) Business Income Coverage Form (and Extra Expense).

D. The following exclusions apply to Employee Theft – Limited:

- 1) Loss caused by any **employee** of yours, or predecessor in interest of yours, for whom similar prior insurance has been cancelled and not reinstated since the last such cancellation.
- 2) Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:
  - a) An inventory computation; or
  - b) A profit and loss computationHowever, where you establish wholly apart from such computations that you have sustained a loss, then you may offer your inventory records and actual physical count of inventory in support of the amount of loss claimed.
- 3) Loss resulting directly or indirectly from trading, whether in your name or in a genuine or fictitious account.

- 4) Loss resulting from fraudulent or dishonest signing, issuing, canceling or failing to cancel, a warehouse receipt or any papers connected with it.

E. The following Conditions apply in addition to the Common Policy Conditions:

- 1) This insurance is cancelled as to any **employee**:

- a) Immediately upon discovery by:

- (1) You; or
- (2) Any of your partners, **members, managers**, officers, directors or trustees not in collusion with the **employee**;

of **theft** or any other dishonest act committed by the **employee** whether before or after becoming employed by you.

- b) On the date specified in a notice mailed to the first Named Insured. That date will be at least 30 days after the date of mailing. We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

- 2) We will pay only for loss that you sustain through acts committed or events occurring during the policy period shown in the Declarations and discovered by you:

- a) During the policy period; or
- b) No later than 1 year from the date of termination or cancellation of this insurance. However, this extended period to discover loss terminates immediately upon the effective date of any other insurance obtained by you replacing in whole or in part the insurance afforded hereunder, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

- 3) If any loss is covered:

- a) Partly by this insurance; and
- b) Partly by any prior cancelled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest;

the most we will pay are the Limits of Insurance shown under item p.(6) below.

Regardless of the number of years this insurance remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or policy period to policy period.

- 4) The property covered under this insurance is limited to property:

- a) That you own or lease;
- b) That you hold for others; or
- c) For which you are legally liable

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization. Any claim for loss that is covered under this insurance must be presented by you.

- 5) We will treat signatures that are produced or reproduced electronically, mechanically or by other means the same as handwritten signatures.

## F. Limit Of Insurance

1) The most we will pay for loss, damage, or expense in any one occurrence under this Additional Coverage are the Per Occurrence Limits of Insurance shown in the Schedule of this Endorsement applicable to Employee Theft – Limited and Forgery or Alteration – Limited.

2) The most we will pay for loss, damage, or expense in all occurrences in any one policy period under this Additional Coverage are the Annual Aggregate Limits of Insurance shown in the Schedule of this Endorsement applicable to Employee Theft – Limited and Forgery or Alteration – Limited.

## DEFINITIONS

### 1. **Employee:**

#### a. **Employee** means:

##### (1) Any natural person:

(a) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to **theft** or any dishonest act committed by the **employee**;

(b) Who you compensate directly by salary, wages or commissions; and

(c) Who you have the right to direct and control while performing services for you;

##### (2) Any natural person who is furnished temporarily to you:

(a) To substitute for a permanent **employee** as defined in Paragraph a.(1), who is on leave; or

(b) To meet seasonal or short-term work load conditions;

while that person is subject to your direction and control and performing services for you, excluding, however, any such person while having care and custody of property outside the **premises**;

##### (3) Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph a.(2);

#### b. **Employee** does not mean:

(1) any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or

(2) Any **manager**, director or trustee except while performing acts coming within the scope of the usual duties of an **employee**.

2. **Forgery** means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.

3. **Funds** means **money** and **securities**.

4. **Manager** means a person serving in a directorial capacity for a limited liability company.
5. **Member** means an owner of a limited liability company represented by its membership interest, who also may serve as a **manager**.
6. **Money** means:
  - a. Currency, coins and bank notes in current use and having a face value; and
  - b. Travelers checks, register checks and money orders held for sale to the public.
7. **Occurrence** means:
  - a. As respects Employee Theft - Limited, all loss caused by, or involving, one or more **employees**, whether the result of a single act or series of acts.
  - b. As respects Forgery or Alteration - Limited, all loss caused by any person or in which that person is involved, whether the loss involves one or more instruments.
8. **Other property** means any tangible property other than **money** and **securities** that has intrinsic value. **Other property** does not include any property excluded under Employee Theft - Limited and Forgery or Alteration - Limited.
9. **Securities** means negotiable and nonnegotiable instruments or contracts representing either **money** or property and includes:
  - a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
  - b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;but does not include **money**.
10. **Theft** means the unlawful taking of **money**, **securities** or **other property** to the deprivation of the Insured.

**MORE-TO-SELECT - Property-Gard Select Endorsement - 190020 04 08**  
Policy Amendment(s) Commercial Property Coverage

Insured: Policy Number:  
Producer: Effective Date:

---

This endorsement modifies Insurance provided under the Property-Gard Select Coverage Section

**Schedule**

<b>Coverage Description</b>	<b>Limit of Insurance</b>	<b>Deductible</b>
Contract Penalty Clause		
Counterfeit Paper and Money Orders		
Expediting Expenses		
Fire Protective Equipment		No Deductible Applies
Lost Key Coverage		No Deductible Applies
Lost Lease Coverage		
Money, Checks and Stamps		
Tenant Move-Back Coverage		

Unless specifically stated herein, the coverage granted by this endorsement does not provide nor will it invoke coverage for loss of use, loss of business income, loss of rental income, or extra expense. Coverage for any loss of use, loss of business income, loss of rental income, or extra expense, if specifically offered within the policy, will be solely governed by the conditions of the relevant business income, rental income, or extra expense form.

A. Section F. of the Property-Gard Select Coverage Section, **Extensions of Coverage**, is amended to include the following:

11. Contract Penalty Clause

We will pay the contractual penalties you are required to pay to your customers as a result of any clause in your contracts for failure to timely deliver your product(s) according to the contract terms. The penalties must solely result from direct physical loss or damage by a **covered cause of loss** to covered property. The most we will pay for penalties for all contracts arising in any one occurrence is the Limit of Insurance shown in the above Schedule for Contract Penalty Clause.

This Form must be attached to Change Endorsement when issued after the policy is written.  
One of the **Fireman's Fund Insurance Companies** as named in the policy.



Secretary



President

## 12. Counterfeit Paper and Money Orders

We will pay for loss due to the acceptance in good faith, in exchange for merchandise, money or services, of any post office or express money order, issued or purporting to have been issued by any post office or express company, or due to the acceptance in good faith in the regular course of business of counterfeit United States or Canadian paper currency. The most we will pay for any one loss is the Limit of Insurance shown in the above Schedule for Counterfeit Paper and Money Orders.

## 13. Expediting Expenses

When a loss covered by this policy occurs, we will pay the reasonable extra costs for temporary repair of property damaged and for expediting the permanent repair or replacement of such damaged property. This includes overtime wages and extra cost of express or other rapid means of transportation. This does not include expenses recoverable elsewhere under this policy or your costs incurred for the temporary rental or replacement of damaged property.

The most we will pay for any one loss is the Limit of Insurance shown in the above Schedule for Expediting Expenses.

## 14. Fire Protection Equipment

We will pay your costs to recharge or refill fire protective equipment and clean up and remove the fire extinguishing agent resulting from the discharge of a fire extinguishing agent from fire protective equipment.

The discharge must:

- a. Be caused by a **covered cause of loss**;
- b. Result from the intended operation of the fire protective equipment to prevent or control a **covered cause of loss**;
- c. Be accidental; or
- d. Result from a malfunction of the fire protective equipment.

We will not pay for loss or damage:

- a. If you fail to use reasonable care to maintain the fire protective equipment in proper operating condition; or
- b. Caused by discharge at the time of servicing, refilling or testing of the fire protective equipment.

The most we will pay for loss or damage in any one occurrence is the Limit of Insurance shown in the above Schedule for Fire Protective Equipment. No deductible applies to this Extension of Coverage.

## 15. Lost Key Coverage

We will pay for consequential loss to keys and locks if a master key or grand master is lost or damaged resulting from a **covered cause of loss**. We will pay for the actual cost to replace keys, adjustment of locks to accept new keys or if required, new locks, including the cost of their installation.

Exclusions 2.a. and 2.d. of the Property-Gard Select Real and Personal Property Coverage Section do not apply to this coverage.

The most we will pay for loss or damage under this coverage in any one occurrence is the Limit of Insurance shown in the above Schedule for Lost Key Coverage. No Deductible applies to this Extension of Coverage.

## 16. Lost Lease Coverage - Lessors Interest

We will pay for loss you sustain due to the cancellation of lease contracts by your tenants when the reason for cancellation of the lease is direct physical loss or damage to the leased premises caused by or resulting from a **covered cause of loss** during the policy period.

We will not pay for loss caused by your canceling the lease, the suspension, lapse or cancellation of any license or any other consequential loss.

The most we will pay under this coverage is the difference between the rents actually paid at the described **premises** and the anticipated **rental value** of the described **premises** that you lease for:

- a. 12 months immediately following the **period of restoration**; or
- b. For the period beginning with the end of the **period of restoration** and ending with the normal expiration date of each canceled lease; or
- c. The Limit of Insurance shown in the above Schedule for Lost Lease Coverage;

whichever is less.

The number of tenants who cancel leases will not affect the Limit of Insurance. The expiration date of this policy will not cut short the duration of coverage provided by this extension.

## 17. Money, Checks and Stamps

We will cover money, checks and stamps you use in your business as shown by your records. We cover them while they are contained in the building at a location we cover. We also cover them while they are being carried to and from a covered location. We cover such property against loss from a **covered cause of loss** applying at the location.

We do not cover any loss caused by or resulting from forgery, alterations, the giving or surrendering of checks or money in exchange or purchase, accounting or arithmetic errors or omissions.

The most we will pay in any one loss is the Limit of Insurance shown in the above Schedule for Money, Checks and Stamps.

## 18. Tenant Move-Back Coverage

We will pay expenses incurred by you for **covered move-back costs** of tenants who temporarily vacate a portion of a covered building property at the **premises** described in the Declarations. The vacancy must have occurred while the portion of the building property rented by the tenant could not be occupied due to direct physical loss or damage to your covered property caused by or resulting from any **covered cause of loss** during the policy period. The move back must take place within 60 days after the portion of the covered building property rented by the tenant has been repaired or rebuilt and is ready for occupancy. We will pay for **covered move-back costs** whether or not the tenant(s) move back before the expiration date of this policy.

**Covered Move-Back Costs** under this endorsement means documented, reasonable and necessary:

- a. Costs of packing, insuring and carting personal property;
- b. Costs of reestablishing electric utility services, less refunds from discontinued services;
- c. Costs of assembling and setting up fixtures and equipment; and
- d. Costs to unpack and reshelve stock and supplies.
- e. Costs of rent abatement offered to the tenant(s) as an incentive to reoccupy the premises.

**Covered Move-Back Costs** does not include:

- a. Loss caused by the termination of a lease or other agreement; or
- b. Security deposits or other payments, forfeitures or penalties made to the landlord or lessor of other premises.

The most we will pay for **Covered Move-Back Costs** under this endorsement resulting from any one occurrence is the Limit of Insurance shown in the above Schedule. The number of tenants requiring relocation will not affect this Limit of Insurance.

### B. Deductible

Regardless of the Deductible Amount shown in the Declarations of this policy, the most we will deduct from any one loss in any one occurrence for coverages under this endorsement is the Deductible Amount shown in the above Schedule. If more than one deductible is applicable under this endorsement or this policy, we will only apply the single amount that is applicable.

Deductibles shall not apply to Fire Protective Equipment or Lost Key Coverage.

- C. This Endorsement is otherwise subject to all the terms, conditions, provisions and stipulations of the policy to which it is attached.



SERFF Tracking Number: FFDC-125643056 State: Arkansas  
 First Filing Company: American Automobile Insurance Company, ... State Tracking Number: EFT \$50  
 Company Tracking Number: NARPG0408  
 TOI: 05.1 Commercial Multi-Peril - Non-Liability Sub-TOI: 05.1000 CMP Sub-TOI Combinations  
 Portion Only  
 Product Name: Property-Gard and Property-Gard Select Real Estate Owners Extension Endorsements  
 Project Name/Number: Property-Gard and Property-Gard Select Real Estate Owners Extension Endorsements/NWPG0408

## Supporting Document Schedules

**Satisfied -Name:** Uniform Transmittal Document-Property & Casualty **Review Status:** Approved 05/27/2008

**Comments:**

**Attachment:**

NAIC Transmittal - Form.pdf

**Satisfied -Name:** Form Filing Schedule **Review Status:** Approved 05/27/2008

**Comments:**

**Attachment:**

Form Filing Schedule.pdf

**Satisfied -Name:** Cover Letter **Review Status:** Approved 05/27/2008

**Comments:**

**Attachment:**

Cover Letter NWPG0408.pdf

**Satisfied -Name:** Marked Copies **Review Status:** Approved 05/27/2008

**Comments:**

**Attachments:**

- 143618 06 06 - Marked - PG RE Owners and Managers - final.pdf
- 143619 06 06 - Marked - PG RE Business Income - Final.pdf
- 143620 06 06 - Marked - PG RE Owners and Managers Crime FORM - Final.pdf
- 190087 06 06 - Marked - PGS RE Owners and Managers - final.pdf
- 190088 06 06 - Marked - PGS RE Owners and Managers Crime FORM - Final.pdf
- 190020 05 94 Marked - MORE TO SELECT - Final.pdf

**Satisfied -Name:** Explanatory Memorandum **Review Status:** Approved 05/27/2008

*SERFF Tracking Number:* FFDC-125643056      *State:* Arkansas  
*First Filing Company:* American Automobile Insurance Company, ...      *State Tracking Number:* EFT \$50  
*Company Tracking Number:* NARPG0408  
*TOI:* 05.1 Commercial Multi-Peril - Non-Liability      *Sub-TOI:* 05.1000 CMP Sub-TOI Combinations  
Portion Only  
*Product Name:* Property-Gard and Property-Gard Select Real Estate Owners Extension Endorsements  
*Project Name/Number:* Property-Gard and Property-Gard Select Real Estate Owners Extension Endorsements/NWPG0408

**Comments:**

**Attachment:**

04 08 RE Endorsements Explanatory Memo.pdf



### Property & Casualty Transmittal Document

<b>1. Reserved for Insurance Dept. Use Only</b>	<b>2. Insurance Department Use only</b> a. Date the filing is received: b. Analyst: c. Disposition: d. Date of disposition of the filing: e. Effective date of filing: <table style="width: 100%; border: none;"> <tr> <td style="width: 60%; border: none;">New Business</td> <td style="border: none;"></td> </tr> <tr> <td style="border: none;">Renewal Business</td> <td style="border: none;"></td> </tr> </table> f. State Filing #: g. SERFF Filing #: h. Subject Codes	New Business		Renewal Business	
New Business					
Renewal Business					

<b>3. Group Name</b>	<b>Group NAIC #</b>
Fireman's Fund Insurance Companies	0761

4. Company Name(s)	Domicile	NAIC #	FEIN #	State #
Fireman's Fund Insurance Company	CA	21873	94-1610280	
National Surety Corporation	IL	21881	36-2704643	
The American Insurance Company	NE	21857	22-0731810	
Associated Indemnity Corporation	CA	21865	22-1708002	
American Automobile Insurance Company	MO	21849	22-1608585	

<b>5. Company Tracking Number</b>	NARPG0408
-----------------------------------	-----------

**Contact Info of Filer(s) or Corporate Officer(s)** [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	Michelle A. Davanzo	Regulatory Analyst	(415) 899-2660	866-290-0671	michelle.davanzo@ffic.com

7. Signature of authorized filer	<i>Michelle A. Davanzo</i>
8. Please print name of authorized filer	Michelle A. Davanzo

**Filing information** (see General Instructions for descriptions of these fields)

9. Type of Insurance (TOI)	5.1 Commercial Multiple Peril
10. Sub-Type of Insurance (Sub-TOI)	5.1000 CMP Sub-TOI Combinations
11. State Specific Product code(s)(if applicable)[See State Specific Requirements]	
12. Company Program Title (Marketing title)	
13. Filing Type	<input type="checkbox"/> Rate/Loss Cost <input type="checkbox"/> Rules <input type="checkbox"/> Rates/Rules <input checked="" type="checkbox"/> Forms <input type="checkbox"/> Combination Rates/Rules/Forms <input type="checkbox"/> Withdrawal <input type="checkbox"/> Other (give description)
14. Effective Date(s) Requested	New: 07-1-08      Renewal: 07-1-08
15. Reference Filing?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
16. Reference Organization (if applicable)	
17. Reference Organization # & Title	
18. Company's Date of Filing	5-13-08
19. Status of filing in domicile	<input type="checkbox"/> Not Filed <input checked="" type="checkbox"/> Pending <input type="checkbox"/> Authorized <input type="checkbox"/> Disapproved

# Property & Casualty Transmittal Document—

<b>20.</b> This filing transmittal is part of Company Tracking #	NARPG0408
--	-----------

<b>21.</b> Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]
--

Enclosed for your review are several endorsements that allow us to offer variable limits for our Real Estate Extension endorsements (as previously approved in your state). Please see the enclosed Explanatory Memorandum for more information.

This is a form filing.

We introduced coverage extension endorsements in 2005 for our Real Estate industry business. The endorsements were updated in 2006 to offer variable limits. We wish to now revise these endorsements to add additional items to Covered Property and to Additional Coverages, add Definitions for clarification purposes, and add deductible options. Note: The limits in the Schedule on these endorsements are the automatic or default limits. Our automated policy writing system will print the limits on a separate schedule.

Enclosed in support of this filing are the following:

1. Explanatory Memorandum
2. Revised Property-Gard and Property-Gard Select endorsements:

*Property-Gard:*

- 143618 04 08, Property-Gard – Real Estate Owners and Managers Endorsement;
- 143619 04 08, Business Income – Real Estate Owners and Managers Endorsement; and
- 143620 04 08, Property-Gard – Real Estate Owners and Managers Crime Protection.

*Property-Gard Select:*

- 190087 04 08, Property-Gard Select Real Estate Owners and Managers Endorsement;
- 190088 04 08, Property-Gard Select Real Estate Owners and Managers Crime Protection; and
- 190020 04 08, MORE-TO-SELECT, Property-Gard Select Endorsement, which revises the prior 12 98 edition (approved under Company filing number NWPG0294.167).

The forms replace prior 06 06 edition endorsements (approved under Company filing number NARMC0406 and State Filing Number AR-PC-06-020380 except for endorsement 190020 04 08 which replaces the prior 12 98 edition approved under Company filing number NARPG108.328).

To facilitate your review, marked copies detailing the revisions are also enclosed.

Your approval of this filing, which has a proposed effective date of July 1, 2008 would be appreciated.

<b>22.</b> Filing Fees (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]
---

**Check #:**  
**Amount:**

**Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.**

**\*\*\*Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

**PROPERTY & CASUALTY FORM FILING SCHEDULE**

(This form must be provided ONLY when making a filing that includes forms.)

(Do **not** refer to the body of the filing for the forms listing, unless allowed by the state.)

This filing transmittal is part of Company Tracking #			NARPG0408		
This filing corresponds to rate/rule filing number (Company tracking number of rate/rule filing, if applicable)					
	Form Name/ Description/Synopsis	Form# Include edition Date	Replacement Or Withdrawn	If replacement, give form # it replaces	Previous state filing number, (if required by state)
1	Property-Gard - Real Estate Owners and Managers Endorsement	143618 04 08	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	143618 06 06	AR-PC-06- 020380
2	Business Income - Real Estate Owners and Managers Endorsement	143619 04 08	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	143619 06 06	AR-PC-06- 020380
3	Property-Gard - Real Estate Owners And Managers Crime Protection	143620 04 08	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	143620 06 08	AR-PC-06- 020380
4	Property-Gard Select Real Estate Owners and Managers	190087 04 08	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	190087 06 06	AR-PC-06- 020380
5	Property-Gard Select Real Estate Owners and Managers Crime Protection	190088 04 08	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	190088 06 06	AR-PC-06- 020380
6	MORE-TO-SELECT - Property-Gard Select Endorsement	190020 04 08	<input type="checkbox"/> New <input checked="" type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn	190020 12 98	NARPG108.328
7			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
8			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
9			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		
10			<input type="checkbox"/> New <input type="checkbox"/> Replacement <input type="checkbox"/> Withdrawn		



May 13, 2008

Honorable Julie Benafield Bowman  
Commissioner of Insurance  
Arkansas Insurance Department  
1200 West Third Street  
Little Rock, Arkansas 72201-1904

RE: COMMERCIAL MULTIPLE PERIL  
REAL ESTATE OWNERS EXTENSION ENDORSEMENTS AND RULES  
PROPERTY-GARD AND PROPERTY-GARD SELECT  
Fireman's Fund Insurance Company 0761-21873  
The American Insurance Company 0761-21857  
National Surety Corporation 0761-21881  
Associated Indemnity Corporation 0761-21865  
American Automobile Insurance Company 0761-21849  
Company Filing #NARPG0408

Dear Sir or Madam:

Enclosed for your review are several endorsements that allow us to offer variable limits for our Real Estate Extension endorsements (as previously approved in your state). Please see the enclosed Explanatory Memoranda for more information.

This is a form filing.

We introduced coverage extension endorsements in 2005 for our Real Estate industry business. The endorsements were updated in 2006 to offer variable limits. We wish to now revise these endorsements to add additional items to Covered Property and to Additional Coverages, add Definitions for clarification purposes, and add deductible options. Note: The limits in the Schedule on these endorsements are the automatic or default limits. Our automated policy writing system will print the limits on a separate schedule.

Enclosed in support of this filing are the following:

1. Explanatory Memorandum
2. Actuarial Memorandum
3. Revised Property-Gard and Property-Gard Select endorsements:

*Property-Gard:*

- 143618 04 08, Property-Gard – Real Estate Owners and Managers Endorsement;
- 143619 04 08, Business Income – Real Estate Owners and Managers Endorsement; and
- 143620 04 08, Property-Gard – Real Estate Owners and Managers Crime Protection.

**Fireman's Fund**  
**Insurance Companies**  
A member of the  
**Alliance Group**

777 San Marin Drive  
Novato, CA 94998  
415.899.2000

*Property-Gard Select:*

- 190087 04 08, Property-Gard Select Real Estate Owners and Managers Endorsement;
- 190088 04 08, Property-Gard Select Real Estate Owners and Managers Crime Protection;  
and
- 190020 04 08, MORE-TO-SELECT, Property-Gard Select Endorsement, which revises the prior 12 98 edition (approved under Company filing number NWPG0294.167).

This filing is to replace prior 06 06 edition endorsements and manual rules (approved under Company filing number NARMC0406 and State Filing Number AR-PC-06-020380 except for endorsement 190020 04 08 which replaces the prior 12 98 edition approved under Company filing number NWPG0294.167).

To facilitate your review, marked copies detailing the revisions are also enclosed.

Your approval/acknowledgement of this filing, which has a proposed effective date of July 1, 2008 would be appreciated.

Sincerely,



Michelle A. Davanzo  
Regulatory Analyst  
Commercial Business, Governance  
800-227-1700 ext 2660 wk  
415-899-2660

**Property-Gard - Real Estate Owners and Managers Endorsement – 143618 ~~06-06~~ 04  
08**

Policy Amendment(s) Commercial Property Coverage

This endorsement modifies insurance provided under the following:  
Property-Gard Building and Personal Property Coverage Form, Cause of Loss Form.

**SCHEDULE**

<b>COVERAGE DESCRIPTION</b>	<b>LIMIT OF INSURANCE</b>
Broadened Premises Coverage	Included
Additional Coverage Foundations	Included
<u>Roadways, Walks, Patios or Other Paved Surfaces</u>	<u>Included</u>
<u>Underground Pipes, Flues or Drains</u>	<u>Included</u>
<u>Retaining Walls</u>	<u>Included</u>
<u>Outdoor Swimming Pools</u>	<u>Included</u>
<u>Outdoor Recreational Courts or Equipment</u>	<u>Included</u>
Fire Department Service Charge	\$ 25,000
Electronic Data Processing Equipment, Voice Communication Equipment, Media, Software And Data	Included
Fine Arts	\$ 50,000
Tenant Move Back Coverage	\$ 25,000
Contract Penalty Clause Coverage	\$ 25,000
Lost Key Coverage	\$ 10,000
Alternative Key Systems	\$100,000
Realty Tax – Increased Assessment Limit	\$ 50,000
Maximum Annual Assessment Period(s)	One Year
Fire Protective Equipment Recharge	\$ 25,000
Reward	\$ 25,000
Mobile Equipment	\$25,000
Emergency Vacating Expense	\$ 100,000
Communicable Disease Extra Expense	\$ 100,000
Unintentional Property Errors and Omissions	\$1,000,000
Property in Transit	\$ 25,000
<u>Utility Services Coverage - Direct Damage</u>	<u>\$ 50,000</u>
Newly Acquired Property	\$ 1,000,000
Property Of Others	\$ 25,000
Valuable Papers and Records	\$ 100,000
Property Off Premises	\$ 25,000
Outdoor Property - Trees, Shrubs, Plants and Lawns Per Plant	\$ 1,000
Per Occurrence	25,000
Extra Expense, Expediting Expense and Loss Adjustment Expense	\$ 25,000
Accounts Receivable (Including Credit Card Invoices)	\$ 100,000

**Optional Deductibles:**

\$1,000      \$2,500      \$5,000      \$10,000      Policy Deductible

If "0" appears in the Schedule of this Endorsement, or in the Declarations applicable to this Endorsement, no coverage is provided for the described coverage.

If "N/A" is shown for a described coverage or the described coverage does not have a corresponding Limit of Insurance shown in the Schedule of this Endorsement, or in the Declarations applicable to this Endorsement, no coverage is provided for the described coverage.

If "Included" appears in the Schedule of this Endorsement, the applicable Limit of Insurance is specified in the Declarations of this policy.

This form must be attached to change endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy

---

Secretary

---

President

Information required to complete this schedule, if not shown above, will be shown in the declarations.

Unless specifically and expressly provided for herein, the coverage granted by this endorsement does not provide nor will it invoke coverage for loss of use, loss of business income, loss of rental income, or extra expense. Coverage for any loss of use, loss of business income, loss of rental income, or extra expense, if specifically offered within the policy, will be solely governed by the conditions of the relevant business income, rental income, or extra expense form.

#### **A. BROADENED PREMISES COVERAGE**

1. Paragraph A.1.a. (5) (b), Business Real Property, is deleted and replaced with the following:

b) Materials, equipment, supplies and temporary structures which are within 1000 feet of the described premises and are used for making additions, alterations or repairs to the building or structure.

2. The first paragraph under Paragraph A.1.b.is deleted and replaced by the following:

We cover the following items of personal property which you own and use in **your business** while they are in or on the **premises** at the location described in the Declarations or in the open (or in a **vehicle**) within 1000 feet of the described **premises**.

#### **B. ADDITIONAL COVERAGE FOUNDATIONS**

1. Section A.1.a.of the Property-Gard Building and Personal Property Coverage, Covered Property, is amended to add the following:

(6). Foundations of buildings, structures, equipment or machinery  
whether above or below ground.

2. Section A.2.c. Of the Property-Gard Building and Personal Property Coverage Form, Property Not Covered, is deleted.

### **C. ROADWAYS, WALKS, PATIOS OR OTHER PAVED SURFACES**

1. Section A.1.a of the Property-Gard Building and Personal Property Coverage, Covered Property, is amended to add the following:

(7). roadways, walks, patios or other paved surfaces.

2. Section A.2.a. Of the Property-Gard Building and Personal Property Coverage Form, Property Not Covered, is deleted and replaced with the following:

a. land and land values; water;

### **D. UNDERGROUND PIPES, FLUES OR DRAINS**

1. Section A.1.a of the Property-Gard Building and Personal Property Coverage, Covered Property, is amended to add the following:

(8). underground pipes, flues or drains.

2. Section A.2.e. Of the Property-Gard Building and Personal Property Coverage Form, Property Not Covered, is deleted.

### **E. RETAINING WALLS**

1. Section A.1.a of the Property-Gard Building and Personal Property Coverage, Covered Property, is amended to add the following:

(9). retaining walls that are not part of the building.

2. Section A.2.f. Of the Property-Gard Building and Personal Property Coverage Form, Property Not Covered, is deleted.

### **F. OUTDOOR SWIMMING POOLS**

1. Section A.1.a of the Property-Gard Building and Personal Property Coverage, Covered Property, is amended to add the following:

(10). permanently installed outdoor swimming pools

### **G. OUTDOOR RECREATIONAL COURTS OR EQUIPMENT**

1. Section A.1.a of the Property-Gard Building and Personal Property Coverage, Covered Property, is amended to add the following:

(11). permanently installed outdoor recreational courts or equipment.

### **~~C-H~~ ADDITIONAL COVERAGES**

Section A.4.c. of the Property-Gard Building and Personal Coverage Form, Additional Coverages, is deleted and replaced with the following:

**c. FIRE DEPARTMENT SERVICE CHARGES**

c. When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to the Limit of Insurance shown in the Schedule that applies to Fire Department Service Charge for your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

No Deductible applies to this Additional Coverage.

Section A. 4. of the Property-Gard Building and Personal Property Coverage Form, Additional Coverages, is amended to include the following:

**h. ELECTRONIC DATA PROCESSING EQUIPMENT, VOICE COMMUNICATION EQUIPMENT, MEDIA, SOFTWARE AND DATA**

(1). We will pay for direct, physical loss or damage to your **electronic data processing equipment, voice communication equipment, media, software and data**. We also pay for direct, physical loss or damage to **electronic data processing equipment, voice communication equipment, media, software and data** of others that occurs while such property is in your care, custody or control and for which you are legally liable.

(2). As respects coverage for **data and software** provided under this Additional Coverage, direct, physical loss or damage includes accidental erasure or corruption.

(3). We only cover such property under this Additional Coverage for direct, physical loss or damage caused by or resulting from the following causes of loss:

- (a) **Mechanical breakdown.**
- (b) Artificially generated electrical current, including any change in the electric power supply.
- (c) Magnetic injury or disturbance, meaning accidental exposure to magnetic fields, whether naturally or artificially generated.
- (d) Operator or programmer error. This cause of loss does not apply to **data** or **software**.
- (e) Change in temperature, dampness of atmosphere or humidity.

(4). Coverage provided under this Additional Coverage is otherwise subject to all exclusions contained in Section B. of the applicable Causes of Loss Form except for the following:

- (a) Exclusions B.1.e., B.2.a., B.2.d. (7) and B.2.d. (8) (a) and B.2.d. (8) (b) ~~Are are~~ deleted as respects all coverage provided under this Additional Coverage;
- (b) The phrase "hidden or latent defect, or any quality in property that causes it to damage or destroy itself" in exclusion B.2.d. (2) is deleted as respects coverage for **mechanical breakdown** provided under this Additional Coverage; and

- (c) Exclusions B.3.b.; B.3.c. (2); and B.3.c. (4) are deleted as respects coverage for operator or programmer error provided under this Additional Coverage.
- (5). In the event of loss or damage covered by this Additional Coverage, we will determine the value of **electronic data processing equipment, voice communication equipment, media, software or data** as follows:

- (a) **Electronic data processing equipment, voice communication equipment and media** will be valued in accordance with the applicable Loss Settlement provisions of the Property-Gard Building and Personal Property Coverage Form, or as such provisions are otherwise amended by endorsement to this Policy.
- (b) **Software** will be valued at the least of the following amounts:
- (i) The actual cost necessary to repair, restore or reconstitute the **software**; or
  - (ii) The actual cost necessary to reproduce or replace such **software** with identical **software** or, if identical software is not available, with **software** of comparable kind, functionality and quality.

We will not pay more for **software** that is not actually repaired, restored, reconstituted, reproduced or replaced than the **fair market value** of such **software**.

- (c) **Data** will be valued at the actual cost necessary to repair, restore, reconstitute, reproduce or replace such **data**, whichever is less. This includes reasonable expenses you incur for research that is necessary to repair, restore, reconstitute, reproduce or replace such **data**. We will not pay more for loss or damage to **data** than the amount you actually spend to replace, reproduce, restore, or reconstitute such **data**.

- (6). As used in the Electronic Data Processing Equipment, Voice Communication Equipment, Media, Software And Data coverage provided under this Additional Coverage:

- (a) **Data** means any information, other than **software**, that is electronically, magnetically or optically stored, recorded or installed on **media** for use in your information systems, or **data** processing operations.
- (b) **Electronic data processing equipment** means equipment, systems or machines, or a network of such equipment, systems or machines, including component parts and peripheral equipment, whose function is processing, converting, retrieving, storing or reproducing **data**, running or execution of **software**, or performing computing, **data** processing, or **data** reproduction functions in your information systems or data processing operations. **Electronic data processing equipment** includes **media**, which are installed or included within **electronic data processing equipment**, but not other **media**.
- (c) **Fair market value** means the price that a willing buyer would pay to a willing seller in an open market if the property had been offered for sale on the date of the loss.
- (d) **Mechanical breakdown** means a sudden and accidental breakdown or derangement of tangible, mechanical apparatus comprising, in whole or in part, of covered equipment, machinery or other covered property. The breakdown must become apparent by physical damage or derangement that requires repair or replacement of all or part of such apparatus
- (e) **Media** means the physical materials upon which **data** or **software** are electronically, magnetically or optically recorded, installed or stored, whether or not such materials are installed or included within **electronic data processing equipment**.

- (f) **Software** means instructions, programs, or routines that are electronically, magnetically or optically stored, recorded or installed on media and which are used to control or direct processes, computing, or other functions in your **electronic data processing equipment**, or for processing, converting, retrieving, storing or reproducing **data**. **Software** includes, but is not limited to, the source codes for such instructions, programs or routines.
  - (g) **Voice Communication Equipment**, means equipment, systems and machinery or a network of such equipment, systems or machines, including component parts and peripheral equipment, whose function is transmitting, processing, converting, retrieving, and storing or reproducing voice **data**.
  - (h) **Portable EDP and Portable Voice Communication Equipment**, means Laptop computers and Cellular telephones configured and designed to be used away from your premises. **Portable EDP and Voice Communication Equipment** does not include equipment, including but not limited to Desktop Computers, Servers and Telephone equipment, that requires a hard wire land line in order to complete a communication connection.
- (7). **Policy Territory** as respects **portable EDP and portable voice communication equipment** is amended to: Anywhere in the world.
- (8). Coverage provided by this Additional Coverage is included within the Limit of Insurance that applies to your Business Personal Property.

i. **FINE ARTS COVERAGE**

- (1). We cover **fine arts** you own, and such property owned by others, that is in your care, custody, or control, while located within the **premises** that you occupy at locations described in the Declarations.
- (2). We cover such property against direct physical loss or damage caused by or resulting from a Covered Cause of Loss applying to Your Business Personal Property at the location described in the Declarations.
- (3). **Fine Arts** will be valued at the time of loss or damage as follows:

- (a) For partial losses, including items that are part of a pair or set, we will pay:
  - (i) The reasonable cost necessary to restore the article, pair or set to its condition immediately before the loss.
  - (ii) If we agree that such restoration cannot fully restore the article, pair or set to its condition just before the loss, we will pay the difference between the article's **fair market value** immediately before and after the loss. We will pay this amount in addition to the cost incurred in attempting to restore the article.

Example: The article's pre-loss **fair market value** is \$25,000. The damaged article can be restored for \$3000. However, the post-restoration **fair market value** of the article will be only \$20,000. The difference between the article's pre-loss **fair market value** and the post-restoration **fair market value** is \$5,000 (\$25,000 - \$20,000 = \$5,000). The total amount we will pay is \$8,000 [\$5000 (diminution of value) plus \$3000 (cost of restoration) = \$8,000].

- (b) For total losses, we will pay the **fair market value** of the article, pair or set immediately before the loss.

(4). The most we will pay for loss, damage, or expense in any one occurrence under this Additional Coverage are the Limits of Insurance shown in the Schedule of this Endorsement applicable to **Fine Arts**.

(5). **Fine arts** means paintings; rare books; etchings; pictures; prints; drawings; tapestries; valuable rugs; sculptures; statuary; pottery; marbles; bronzes; antique furniture; antique silver; manuscripts; porcelains; rare glass; stained glass, whether a part of Business Real Property or not; bric-a-brac; other similar bona fide works of art; items of rarity, historical value, or artistic merit, including trophies, scientific or musical instruments or experiments. Fine Arts does not mean **Valuable papers and records**.

#### j. **TENANT MOVE BACK COVERAGE**

(1). We will pay expenses incurred by you for **Tenant Move Back Costs** of ~~commercial~~ tenants who temporarily vacate a portion of a covered building property at the premises described in the Declarations. The vacancy must have occurred while the portion of the covered building property rented by the tenant could not be occupied due to direct physical loss or damage to your Covered Property caused by or resulting from any Covered Cause of Loss during the policy period. The move back must take place within 60 days after the portion of the covered building property rented by the tenant has been repaired or rebuilt and is ready for occupancy.

(2). We will pay for **Tenant Move Back Costs** whether or not the tenant(s) move back before the expiration date of this policy.

(3). **Tenant Move Back Costs** under this Additional Coverage means documented, reasonable and necessary:

(a) Costs of packing, insuring and carting ~~business~~ personal property;

(b) Costs of re-establishing electric utility services, less refunds from discontinued services;

(c) Costs of assembling and setting up fixtures and equipment; ~~and~~

(d) Costs to unpack and reshel stock and supplies; ~~; and~~

(e) Costs of rent abatement offered to the tenant(s) as an incentive to reoccupy the premises.

(4). **Tenant Move Back Costs** do not include:

(a) Loss caused by the termination of a lease or other agreement; or

(b) Security deposits or other payments, forfeitures or penalties made to the landlord or lessor of other premises.

~~(c) Any costs incurred to move back residential tenants.~~

(5). The most we will pay for loss or damage under this Additional Coverage is the Limit of Insurance shown in the schedule that applies to this endorsement for **Tenant Move Back Coverage**. The number of tenants requiring relocation will not increase this Limit of Insurance.

(6). This Additional Coverage does not create any Business Income coverage under any coverage form which provides coverage for Business Income.

#### k. **CONTRACT PENALTY CLAUSE COVERAGE**

- (1). We will pay the contractual penalties you are required to pay to your customers as a result of any clause in a contract you enter into due to your failure to timely deliver your product or service according to the contract terms. The penalties must solely result from direct physical loss or damage by a Covered Cause of Loss to Covered Property which occurs after you enter into such contract.
- (2). The most we will pay for loss or damage in any one occurrence under this Additional Coverage is the Limit of Insurance shown in the schedule that applies to this endorsement for **Contract Penalty Clause Coverage**.

#### **l. LOST KEY COVERAGE**

- (1). We will pay for consequential loss to keys and locks if a master key or grand master key is lost or damaged resulting from a Covered Cause of Loss. We will pay for the actual cost to replace keys, adjustment of locks to accept new keys or, if required, new locks, including the cost of their installation, resulting from a covered cause of loss.
- (2). In the Causes of Loss Form: exclusion 2.e.; and Limitation 1.d. do not apply to this additional coverage.
- (3). The most we will pay for loss or damage in any one occurrence under this Additional Coverage is the Limit of Insurance shown in the schedule that applies to this endorsement for **Lost Key Coverage**.

No Deductible applies to this Additional Coverage.

#### **m. ALTERNATIVE KEY SYSTEMS**

- (1). We will pay for loss or damage to, or cost to reprogram, **alternative key systems**, including card programmers, card-readers, computers, related alarms, transceivers, power supplies and any other electronic or mechanical apparatus needed to make the card keys work. The loss must be caused by a **Covered Cause of Loss** and must take place at a Covered Location.
- (2). **Alternative key systems** means programmable keying systems, such as mechanically or electronically coded key cards.
- (3). The most we will pay for loss or damage under this Additional Coverage is the Limit of Insurance shown in the schedule that applies to this endorsement for **Alternative Key Systems**.

#### **n. REALTY TAX COVERAGE – INCREASED ASSESSMENT**

- (1). If a **Covered Cause of Loss** results in direct physical loss or damage to Covered Property at a location described in the Declarations, we will reimburse you for the increased realty tax liability directly attributed to the repair, rebuilding, or reconstruction of the damaged property as covered by this policy.
- (2). We will pay for such increased realty tax liability that is assessed within 2 years of a covered loss. However, we will only pay such increased assessment following any realty tax assessment that is insured under this coverage for the tax period(s) shown in the schedule for **Realty Tax – Increased Assessment Maximum Annual Assessment Period(s)**.
- (3). The most we will pay for loss or damage under this Additional Coverage is the Limit of Insurance shown in the schedule that applies to this endorsement for **Realty Tax – Increased Assessment**.

**o. FIRE PROTECTIVE EQUIPMENT RECHARGE**

(1). We will reimburse you for your costs to recharge or refill fire protective equipment and to clean up and remove the fire extinguishing agent discharged from fire protective equipment.

(2). The discharge must:

(a) Be caused by a Covered Cause of Loss; or

(b) Result from the intended operation of the fire protective equipment to prevent or control a Covered Cause of Loss; or

(c) Be accidental; or

(d) Result from a malfunction of the fire protective equipment.

(3). We will not pay for loss or damage:

(a) If you fail to use reasonable care to maintain the fire protective equipment in proper operating condition; or

(b) Caused by discharge at the time of servicing, refilling or testing of the fire protective equipment.

(4). The most we will pay for loss or damage under this Additional Coverage is the Limit of Insurance shown in the schedule that applies to this endorsement for **Fire Protective Equipment Recharge**.

(5). No Deductible applies to this Additional Coverage.

**p. REWARD**

(1). If covered property sustains direct physical loss or damage caused by or resulting from a Covered Cause of Loss, and the origin of such loss is determined to be the criminal acts of an individual or individuals, we will pay a reward to the person or persons who provide information that leads to the arrest and conviction of the individual or individuals responsible for the loss.

(2). The most we will pay under this Additional Coverage is the Limit of Insurance shown in the Schedule that applies to this Endorsement Part for **Reward**, regardless of the number of persons providing information that leads to the arrest and conviction of the individual or individuals responsible for such loss.

(3). No deductible applies to this Additional Coverage.

**q. MOBILE EQUIPMENT**

(1). We will pay for direct physical loss or damage caused by or resulting from a Covered Cause of Loss to your **Mobile Equipment**. We will also pay for **Mobile Equipment** which is property of others that you lease or rent, but only if the loss or damage occurs while such property is in your care, custody or control, and a written lease or rental agreement was in effect at the time of the loss that either

(a) Requires you to obtain insurance on the property, or

(b) Makes you legally liable in the event direct, physical loss or damage occurs to the property while it is in your care, custody or control.

Coverage under this Additional Coverage applies to **Mobile Equipment** located anywhere in the policy territory.

(2). We will not pay for loss to

(a) Any property while leased, loaned or rented to others, or while in the possession of others under an agreement of sale;

(b) Property while waterborne; air craft; watercraft (including motors, equipment and accessories); automobiles, motor trucks, trailers, semi-trailers, motorcycles, motor scooters, or any other vehicles designed primarily for highway use.

(3). We will not pay for loss caused by the weight of a load exceeding the applicable load rating of the **Mobile Equipment** according to the load rating chart published by the manufacturer of the **Mobile Equipment**.

(4). **Mobile Equipment** as used in this Additional Coverage means equipment and machinery, including spare and repair parts, which is used to maintain, improve or modify your facilities which is not permanently attached or fixed to the property. **Mobile Equipment** does not include **Stock**.

(5). The most we will pay under this Additional Coverage is the Limit of Insurance shown in the Schedule that applies to this Endorsement Part for **Mobile Equipment**.

#### r. **EMERGENCY VACATING EXPENSE**

(1). We will pay for the reasonable expense you incur in the evacuation of tenants from insured buildings because of an **emergency**.

(a) We will not pay for any expense for the **emergency** evacuation of any tenant if the **emergency** evacuation is a result of:

(i) A planned evacuation drill;

(ii) Strike;

(iii) A named **tropical storm** or **hurricane**. Including the period of time 72 hours prior to becoming a **hurricane** or **tropical storm**, the entire duration of the **hurricane** or **tropical storm** and the 72 hours immediately following the downgrading of a **hurricane** or **tropical storm** as declared by the National Weather Service.

(iv) any other event or action otherwise excluded under this policy.

(b) This coverage only applies if you report the expense to us in writing no latter than sixty (60) days from the date of the **emergency** evacuation or from the end of the policy period, whichever is first.

(c) **Emergency** as used in this Additional Coverage means unforeseen event or a condition on your **premises** which puts your tenants in imminent danger of direct physical harm or loss of life.

(d) **Hurricane** means a windstorm that has a sustained wind speed of 74 miles per hour or greater or has been declared by the National Weather Service to be a **hurricane**, typhoon or tropical cyclone.

(e) **Tropical Storm** means a windstorm that has a sustained wind speed of 39 miles per hour or greater or has been declared by the National Weather Service to be a **tropical storm**.

(f) This Additional Coverage does not create any Business Income coverage under any coverage form which provides coverage for Business Income.

(g) All other provisions of this policy apply to this Additional Coverage.

(2). The most we will pay under this Additional Coverage in any one occurrence, regardless of the number of tenants evacuated is the Limit of Insurance shown in the Schedule that applies to this Endorsement for **Emergency Vacating Expense**.

**s. COMMUNICABLE DISEASE EXTRA EXPENSE**

(1). We will pay for the actual expense you incur due to a **communicable disease event** occurring at your **premises**. The extra expense must be the result of a **communicable disease event** that has taken place at a covered location.

(2). We will not pay for any loss under this Additional Coverage which is caused directly or indirectly by any of the following:

- (a) Fines or penalties of any kind;
- (b) Any increase of loss or extra expense caused by or resulting from the suspension, lapse or cancellation of any license, lease or contract;
- (c) The cost of replacing actual or suspected contaminated property from the insured location, or any other location.
- (d) Any loss otherwise excluded by an applicable exclusion to this policy.

(3). Exclusion B.2.d.(3), of the Cause of Loss Form does not apply as respects coverage provided under this additional coverage. However, we will not pay under this Additional Coverage if the expense is the result of any other event or action otherwise excluded under this policy.

(4). **Communicable Disease** means any disease caused by a biological agent that is transmitted directly or indirectly from one individual to another.

(5). **Communicable disease event** means that an official public health authority has ordered your premises to be evacuated and disinfected due to the outbreak of a **communicable disease** at the covered location.

(6). For purposes of this Additional Coverage, Extra Expense is limited to:

- (a) The actual expense you incur to evacuate the covered premises due to a **communicable disease event**; and
- (b) The actual expense you incur to disinfect the covered premises of the **communicable disease**; and
- (c) The actual expense you incur to test the covered premises to confirm disinfection of the **communicable disease**.

(7). This Additional Coverage does not create any Business Income coverage under any coverage form which provides coverage for Business Income.

(8). All other provisions of this policy apply to this Additional Coverage.

(9). The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown in the Schedule that applies to this Endorsement for **Communicable Disease Extra Expense**.

**t UNINTENTIONAL PROPERTY ERRORS AND OMISSIONS**

(1). Any unintentional error or omission you make in determining or reporting values or in describing the Covered Property or premises shall not void or impair coverage provided by this policy. You must however, report such errors or omissions to us in writing as soon as you discover them. You also agree to pay such additional premium as may be appropriate.

(2). This provision does not apply to loss or damage caused directly or indirectly by flood or earth movement or to property which is otherwise insured by this or any other insurance.

(3). The most we will pay under this Additional Coverage in any one occurrence is the Limit of Insurance shown in the Schedule that applies to this Endorsement for **Unintentional Property Errors And Omissions**.

Item A.1.b.(3), Property Not At a Location is deleted and replaced by the following:

**u. PROPERTY IN TRANSIT.**

(1). Your Business Personal Property, described under **Items A., B., C.**, and personal **property of others**, is covered while it is:

- (a) **IN THE DUE COURSE OF TRANSIT – INSURED’S VEHICLES.** This covers business personal property which is in, on, connected to or being towed by a vehicle which you own, operate or lease.
- (b) **IN THE CARE, CUSTODY OR CONTROL OF SALESPERSONS.** This covers business personal property while it is away from your **premises** in the care, custody, or control of any of your salesperson(s).
- (c) **IN THE CUSTODY OF CARRIERS FOR HIRE.** This covers business personal property but only while it is in the custody of a carrier for hire which includes any motor vehicle, rail, air express, or air transportation company; and their connecting carriers.

(2). We cover such property against direct physical loss or damage from Special Causes of Loss (Special Form) as described under the Property-Gard Causes of Loss Form

(3). We will not pay under Property in Transit for loss or damage to:

- (a) Property you ship by mail while in the custody of the U.S. Postal Service.
- (b) Property that is waterborne except when on a transporting land conveyance aboard any regular licensed ferry on an inland waterway, and then to include general average and salvage charges for which you may be liable.
- (c) Export shipments after such shipments are loaded on board an exporting conveyance, or on the date such export shipments are covered by a Marine Insurance Policy, or on import shipments until Marine Coverage ceases.
- (d) Property of others carried by you while acting as a common carrier, contract carrier, broker, loader, consolidator or freight forwarder, unless otherwise provided herein.
- (d) Live animals.

- (e) **Fine arts, media, software, and data**, accounts receivable, **valuable papers and records**, or Covered Property while it is in transit to or from a trade show.
- (f) That part of any loss, damage, or expense associated with Property in Transit that is otherwise insured under this Coverage Part or this policy.

(4). As respects coverage provided by Property in Transit, definition H.4. Policy Territory is amended to include the following clause:

The **policy territory** for Property in Transit is within and between the 48 contiguous States of the United States of America; the State of Alaska; the State of Hawaii; the District of Columbia; Puerto Rico and Canada.

(5). The most we will pay for loss, damage, or expense in any one occurrence under this coverage is the greater of the Limit of Insurance shown in the Schedule of this Endorsement that applies to Property in Transit.

#### v. UTILITY SERVICES COVERAGE - DIRECT DAMAGE

(1) We will pay for direct physical loss of or damage to Covered Property at the location described in the Declarations, caused by the interruption of service to such location. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to the Utility Services property described in paragraph (2) below, not on a location described in the Declarations.

#### (2) Utility Services

(a) Water Supply Services, meaning the following types of property supplying water to the described location:

\_\_\_ (1) Pumping stations; and

\_\_\_ (2) Water mains.

(b) Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described location, such as:

\_\_\_ (1) Communication transmission lines, including optic fiber transmission lines;

\_\_\_ (2) Coaxial cables; and

\_\_\_ (3) Microwave radio relays except satellites.

\_\_\_ Coverage does not extend to any type of overhead transmission, distribution, or communication lines.

(c) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described location:

\_\_\_ (1) Utility generating plants;

\_\_\_ (2) Switching stations;

\_\_\_ (3) Substations;

(4) Transformers; and

(5) Transmission lines.

Coverage does not extend to any type of overhead transmission, distribution, or power lines.

(3) The most we will pay for loss or damage in any one occurrence under this Additional Coverage is the Limit of Insurance shown in the Schedule that applies to Utility Services Coverage - Direct Damage.

## **D.I. COVERAGE EXTENSIONS**

Section A. 5. of the Property-Gard Building and Personal Coverage Form, Coverage Extensions, is amended as follows:

### **a. NEWLY ACQUIRED PROPERTY**

Section A.5.a. is deleted and replaced with the following:

#### **a. Newly Acquired Property**

If the Declarations show you have Business Real Property Coverage, we cover the buildings you acquire anywhere in the **policy territory**, except Canada. If the Declarations show you have Business Personal Property Coverage, we cover your business personal property at a newly acquired location anywhere in the policy **territory**, except Canada

The most we will pay for any one loss is, the Limit of Insurance shown in the Schedule that applies to this coverage extension for **Newly Acquired Property** whether the loss occurs to real property or personal property. However, in no event will we pay more for Real or Personal Property than the value of the acquired property. This coverage ends on the earlier of the following dates:

- (1). 180 days from the date you acquire the property; or
- (2). On the date you report the values to us; or
- (3). On the date this policy expires.

When you report the values to us, you will owe us additional premium from the date of acquisition.

### **b. (2). PROPERTY OF OTHERS**

Section A.5.b.(2) is deleted and replaced with the following:.

- (2). We cover **property of others** while it is at a covered location. We cover such property against loss from a cause of loss we cover applying to your business personal property at the location.

Unless a Limit of Insurance is shown for **property of others** on the Property Declarations, the most we will pay for this Coverage Extension is the Limit of Insurance shown in the Schedule that applies to this Endorsement for **Property of Others**.

### **c. VALUABLE PAPERS AND RECORDS**

Section A.5. c. is deleted and replaced with the following:

(c). We cover the valuable papers and records you use in **your business** against loss from a cause of loss we cover applying to business personal property at the covered location where the loss occurs. Such papers and records include books, maps, films, drawing, abstracts, deeds, mortgages, and manuscripts and those records that exist in electronic or magnetic media and film, negatives, discs, slides, photographs and videotape. We only cover them while they are in that part of the building you occupy at the covered location.

We will pay the research and other costs necessary to reproduce, replace or restore such papers and records. The most we will pay for this Coverage Extension is the Limit of Insurance shown in the Schedule that applies to this Endorsement for **Valuable Papers and Records**.

d. **PROPERTY OFF-PREMISES**

Section A.5. d. is deleted and replaced with the following:

d. We cover covered property while it is temporarily away from the covered location to be cleaned repaired or serviced. While at the temporary location, we cover it against loss from a cause of loss we cover applying to the property at the covered location. While in transit to and from the covered location, the Special Causes of Loss apply to such property.

The most we will pay for this Coverage Extension is the Limit of Insurance shown in the Schedule that applies to this Endorsement for **Property off Premises**.

e. **OUTDOOR PROPERTY: TREES, SHRUBS, PLANTS AND LAWNS**

Section A.5. e. is deleted and replaced with the following:

e. We cover your trees, shrubs, plants and lawns that are outside the covered building when loss is caused by or results from any of the following causes of loss: fire; lightning; aircraft; explosion; riot or civil commotion; smoke; vehicles; vandalism of malicious mischief.

This Coverage Extension is extended to include trees, shrubs, plants and lawns located in parking lots and other paved surfaces if part of the described premises.

The most we will pay for this coverage extension are the Limits of Insurance shown in the Schedule that applies to any one tree, shrub or plant and to all property covered under this Extension in any one occurrence.

f. **EXTRA EXPENSE, EXPEDITING EXPENSE AND LOSS ADJUSTMENT EXPENSE**

Section A.5. f. is deleted and replaced with the following:

f. When a loss covered by this policy occurs, we will pay the extra expense you normally incur to continue or resume your **normal business operations**. We will pay only that part of the total expense that exceeds the amount which ordinarily would have been incurred to conduct **your business**. We will not be liable for any longer period of time than is necessarily required to rebuild, repair or replace the damaged property. This period of time is not limited by the expiration date of the policy.

We will also pay the reasonable cost you incur to expedite repairs to covered property. This includes payment of overtime wages and the extra cost of express or other rapid means of transportation.

We will also pay the extra wages you pay your employees for preparing inventories and other loss data for completing your proof of loss. We do not cover any other expenses incurred in preparing or submitting claims.

The Special Exclusions that apply to The Extra Expense Coverage Form shall apply to this coverage.

The most we will pay for this Coverage Extension is the Limit of Insurance shown in the Schedule that applies to this Endorsement for **Extra Expense, Expediting Expense and Loss Adjustment Expense**.

g. **ACCOUNTS RECEIVABLE**

Section A.5.g. is deleted and replaced with the following;

g. We cover your records of balances including credit card invoice records of balances owed you by your customers while the records are at a covered location. We cover such records against loss from a cause of loss we cover applying to your business personal property at the location.

We will pay the following when they result from loss or damage to those records:

- (1) Sums owed you by customers which you cannot collect;
- (2) Interest charges you must pay on loans to offset impaired collections;
- (3) That part of your collection costs that exceeds your normal costs;
- (4) Other costs you reasonable incur to restore your records.

The most we will pay for this Coverage Extension is the Limit of Insurance shown in the Schedule that applies to this Endorsement for **Accounts Receivable** (including Credit Card Invoices).

**Business Income - Real Estate Owners and Managers Endorsement 143619 ~~06-06~~ 04  
08**

Policy Amendment(s) Commercial Property Coverage

This endorsement modifies insurance provided under **Business Income Form (and Extra Expense)**

**SCHEDULE**

<b>COVERAGE DESCRIPTION</b>	<b>LIMIT OF INSURANCE</b>
<b>Real Estate Managers Contract Cancellation</b>	<b>Included</b>
<b>Lost Lease Coverage – Lessor’s Interest</b>	<b>\$ 25,000</b>
<b>Utility Services Coverage - Business Income</b>	<b>\$250,000</b>
<b>Newly Acquired Property Business Income</b>	<b>\$1,000,000</b>
<b><u>Newly Tenanted Property - Business Income</u></b>	<b><u>\$ 250,000</u></b>
<b><u>Impaired Tenantability Under Contract of Sale</u></b>	<b><u>\$ 250,000</u></b>
<b>Civil Authority</b>	<b>4 Weeks</b>
<b>Extended Period Of Indemnity</b>	<b>365 Days</b>
<b>Increased Period of Restoration Due To Operation of Building Laws</b>	<b>365 Days</b>

The Limits of Insurance shown in the Schedule of this endorsement are included within the Limits of Liability for Business Income shown in the Declarations. Payments under such coverages will not increase the Limits of Liability for Business Income.

If “0” appears in the Schedule of this Endorsement, or in the Declarations applicable to this Endorsement, no coverage is provided for the described coverage.

If “N/A” is shown for a described coverage or the described coverage does not have a corresponding Limit of Insurance shown in the Schedule of this Endorsement, or in the Declarations applicable to this Endorsement, no coverage is provided for the described coverage.

If “Included” appears in the Schedule of this Endorsement, the applicable Limit of Insurance is specified in the Declarations of this policy.

Information required to complete this schedule, if not shown above, will be shown in the declarations.

This form must be attached to change endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
President

## **A. REAL ESTATE MANAGERS CONTRACT CANCELLATION**

The following is added to item A.1., Business Income of the Business Income Coverage Form (and Extra Expense):

- c. Net Income (Net Profit or Loss before income taxes) includes income which would have been earned from Property Management contracts which have been cancelled due to a Covered Cause of Loss.

## **B. LOST LEASE COVERAGE - LESSORS INTEREST**

The following is added to item A.3., Additional Coverages of the Business Income Coverage Form (and Extra Expense):

### e. Lost Lease Coverage – Lessors Interest

(1) We will pay for loss you sustain due to the cancellation of real estate leases by your tenants but only if the reason for cancellation of the lease is direct physical loss or damage to the leased premises which was caused by or resulting from a Covered Cause of Loss during the policy period.

(2) We will not pay for any loss caused by:

- (a) Your cancellation of the real estate lease;
- (b) The suspension, lapse or cancellation of any license; or
- (c) Any other consequential loss.

(3) The most we will pay under this coverage is:

The difference between the rent actually paid at the described premises and the anticipated **rental value** of the described premises that you lease for the lesser of:

- (a) 12 months immediately following the **period of restoration**; or
- (b) For the period beginning with the end of the **period of restoration** and ending with the normal expiration date of each canceled lease; or
- (c) The Limit of Insurance shown in the Schedule that applies to **Lost Lease Coverage – Lessors Interest**;

The number of tenants who cancel leases will not increase the limit of Insurance. The expiration date of this policy will not cut short the duration of the coverage provided by this extension.

## **C. UTILITY SERVICES COVERAGE**

The following is added to item A.3., Additional Coverages of the Business Income Coverage Form (and Extra Expense):

### f. Utility Service Coverage

- (1) We will pay for your loss of Business Income at the location described in the Declarations, caused by the interruption of service to such location. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to the Utility

Services property described in paragraph (2) below, not on location described in the Declarations.

(2) Utility Services

(a) Water Supply Services, meaning the following types of property supplying water to the described location:

- (1) Pumping stations; and
- (2) Water mains.

(b) Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described location, such as:

- (1) Communication transmission lines, including optic fiber transmission lines;
- (2) Coaxial cables; and
- (3) Microwave radio relays except satellites.

Coverage does not extend to any type of overhead transmission, distribution, or communication lines.

(c) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described location:

- (1) Utility generating plants;
- (2) Switching stations;
- (3) Substations;
- (4) Transformers; and
- (5) Transmission lines.

Coverage does not extend to any type of overhead transmission, distribution, or power lines.

(3) We will only pay for loss you sustain after the first twenty four (24) hours following loss of service caused by the direct physical loss or damage to the utility services property described in paragraph (2) above.

(4) The most we will pay for loss or damage in any one occurrence under this Additional Coverage is the Limit of Insurance shown in the Schedule that applies to **Utility Services Coverage – Business Income**.

**D. NEWLY ACQUIRED PROPERTY BUSINESS INCOME COVERAGE EXTENSIONS**

Item A.4., of the Business Income Coverage Form (and Extra Expense) is deleted and replaced by the following:

~~4. Coverage Extension~~

~~If a Coinsurance percentage of 50% or more is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:~~

~~**Newly Acquired Locations**~~

~~— a. We cover your Business Income at newly acquired locations anywhere in the policy territory;~~

~~—except Canada.~~

~~—b. The most we will pay for this Coverage Extension for any one loss is, the Limit of Insurance shown in the Schedule that applies to **Newly Acquired Property Business Income**.~~

~~—c. This coverage ends on:~~

- ~~—(1) 180 days from the date you acquire the property; or~~
- ~~—(2) On the date you report the values to us; or~~
- ~~—(3) On the date this policy expires, which ever occurs first.~~

~~—When you report the values to us, you will owe us additional premium from the date of acquisition of the newly acquired property.~~

~~—This Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.~~

#### 4. Coverage Extensions

If a Coinsurance percentage of 50% or more is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

##### a. Newly Acquired Locations

(1) We cover your Business Income at newly acquired locations anywhere in the policy territory, except Canada.

(2) The most we will pay for this Coverage Extension for any one loss is the Limit of Insurance shown in the Schedule that applies to Newly Acquired Property - Business Income.

(3) This coverage ends on:

(a) 180 days from the date you acquire the property; or

(b) On the date you report the values to us; or

(c) On the date this policy expires;

whichever occurs first.

When you report the values to us, you will owe us additional premium from the date of acquisition of the newly acquired property.

This Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

##### b. Newly Tenanted Property

(1) We cover your Business Income at locations described in the Declarations which were previously vacant and are now leased to a tenant, if you have not yet reported the values to us.

(2) The most we will pay for this Coverage Extension for any one loss is the Limit of Insurance shown in the Schedule that applies to Newly Tenanted Property - Business Income.

(3) This coverage ends on:

(a) 180 days from the date you lease the previously vacant property to a tenant; or

(b) On the date you report the values to us; or

(c) On the date this policy expires;

whichever occurs first.

When you report the values to us, you will owe us additional premium from the date the previously vacant property was leased to a tenant.

This Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

c. Impaired Tenantability Under Contract of Sale

(1) If tenantability is impaired on the date operations begin at a newly acquired property due to direct physical loss or damage to the property caused by or resulting from a Covered Cause of Loss occurring before you acquired the property but while the property was under contract of sale to you, we will pay for the actual loss of Business Income you sustain during the period that:

(a) Begins on the date operations begin at the property; and

(b) Ends on the earlier of:

(i) 180 days from the date operations begin at the property; or

(ii) The date the property should be repaired, rebuilt or replaced with reasonable speed and similar quality; or

(iii) The date this policy expires.

(2) Contract of sale means a written contract to purchase the property with all sales contingencies described in such contract having been removed through a written notice to the seller of the property.

(3) The most we will pay for this Coverage Extension for any one loss is the lesser of:

(a) The difference between the rents actually paid at the property when operations begin at the property and the rental value of the property that would have existed if no direct physical loss or damage to the property occurred while the property was under contract of sale to you.

(b) The Limit of Insurance shown in the Schedule that applies to Impaired Tenantability Under Contract of Sale.

This Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

**E. CIVIL AUTHORITY**

Item A.3.b., of the Business Income Coverage Form (and Extra Expense) is deleted and replaced by the following:

b. We will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises due to direct physical loss of or damage to property, other than at the described premises, caused by or resulting from any Covered Cause of Loss. This coverage will apply for a period of up to the number of consecutive weeks from the date of that action shown in the schedule for **Civil Authority**.

#### **F. EXTENDED BUSINESS INCOME**

Item A.3.d., Extended Business Income, of the Business Income Coverage Form (and Extra Expense) is deleted and replaced by the following:

d. Extended Business Income

We will pay for the actual loss of Business Income you incur during the period that:

- (1) Begins on the date property (except **finished stock**) is actually repaired, rebuilt or replaced and **operations** are resumed; and
- (2) Ends on the earlier of:
  - (a) The date you could restore your operations, with reasonable speed, to the condition that would have existed if no direct physical loss or damage occurred; or
  - (b) The number of days shown in the schedule of this endorsement.

Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

## **G. INCREASED PERIOD OF RESTORATION DUE TO OPERATION OF BUILDING LAWS**

If your policy provides ordinance or law coverage providing for the:

1. Loss to the undamaged portion of the building; or
2. Complete or partial demolition of any part of the undamaged portion of a building; or
3. Increased cost to repair or reconstruct or remodel the damaged or undamaged portions of a building,

due to the enforcement of any building, zoning or land use ordinance or law at the location where the loss or damage occurred,

Then, Item G.,3., of the Business Income Coverage Form is deleted for the location(s) to which the coverage applies and replaced by the following:

**3. Period of restoration** means the period of time that:

- a. Begins with the date of direct physical loss or damage caused by or resulting from and Covered Cause of Loss at the described premises; and
- b. Ends on the date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality.

**Period of restoration** includes the increased period required to repair or reconstruct the property to comply with the minimum standards of any ordinance or law, in force at the time of loss that regulates the construction or repair, or requires the tearing down of any property. The increased period of time will extend up to but not exceed one year from the date when the property at the described premises should have been repaired, rebuilt or replaced using reasonable speed and similar quality, had there been no ordinance or law imposed on such construction or repair.

**Period of Restoration** does not include any increased period required due to the enforcement of any ordinance or law that:

- (1) requires the removal of **asbestos**; or
- (2) requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**.

The expiration date of this policy will not cut short the **period of restoration**.

**Property-Gard - Real Estate Owners And Managers Crime Protection**  
**143620 ~~(06-06)~~ (04-08)**

Policy Amendment (S) Commercial Property Coverage

This endorsement modifies insurance provided under Property-Gard Building and Personal Property Coverage Form

**SCHEDULE**

<b>COVERAGE DESCRIPTION</b>	<b>LIMIT OF INSURANCE</b>
<b>Money, Checks And Stamps</b>	<b>\$ 10,000</b>
<b>Money Orders And Counterfeit Currency</b>	<b>\$ 25,000</b>
<b>Employee Theft – Limited</b>	
<b>Per Occurrence</b>	<b>\$ 25,000</b>
<b>Annual Aggregate</b>	<b>\$ 50,000</b>
<b>Forgery or Alteration – Limited</b>	
<b>Per Occurrence</b>	<b>\$ 25,000</b>
<b>Annual Aggregate</b>	<b>\$ 50,000</b>

Information required to complete this schedule, if not shown above, will be shown in the declarations.

This form must be attached to change endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
President

## ADDITIONAL COVERAGES

### MONEY, CHECKS AND STAMPS

Section A. 4. f. of the Property-Gard Building And Personal Coverage Form, Additional Coverages, is deleted and replaced with the following:

- f. Money, Checks, Stamps, and Securities
  - (1) We cover **money**, checks, stamps and **securities** you use in **your business** as shown by your records. We cover them while they are contained within the **premises** at locations described in the Declarations. We also cover them while they are being carried to or from a covered location in the care, custody, or control of a **messenger** or an armored motor vehicle company.
  - (2) We cover such property against direct physical loss or damage caused by or resulting from a Covered Cause of Loss applying to Your Business Personal Property at the location described in the Declarations.
  - (3) We do not cover any loss caused by or resulting from forgery; alterations; the giving or surrendering of checks, **money** or **securities** in exchange or purchase; or accounting or arithmetic errors or omissions.
  - (4) Item C.4. Money, Checks and Stamps located in the Property-Gard Building and Personal Property Coverage Form (142000) is deleted and replaced with the following: Money, Checks, Stamps, and Securities.
  - (5) The most we will pay for loss, damage, or expense in any one occurrence under this Additional Coverage, regardless of the amount of **money**, or number of checks, stamps, or **securities** lost or damaged, is the Limit of Insurance shown in the Schedule of this Endorsement that applies to Money, Checks, Stamps, and Securities.

### MONEY ORDERS AND COUNTERFEIT PAPER CURRENCY

Section A. 4. g. of the Property-Gard Building And Personal Coverage Form, Additional Coverages, is deleted and replaced with the following:

- g. Money Orders and Counterfeit Paper Currency
  - (1) We will pay for your loss which directly results from you accepting the following in good faith, in exchange for merchandise, **money** or services:
    - (a) Money orders (including **counterfeit** money orders, purporting to have been issued by any United States or Canadian post office, express company, or national, state, or Canadian chartered bank) not paid upon presentation; or
    - (b) **Counterfeit** United States or Canadian paper currency.

- (2) The most we will pay for loss, damage, or expense in any one occurrence under this Additional Coverage, regardless of the number of items contributing to the loss, is the Limit of Insurance shown in the Schedule of this Endorsement that applies to Money Orders and Counterfeit Paper Currency.

#### **EMPLOYEE THEFT – LIMITED and FORGERY or ALTERATION – LIMITED**

Section A.4. of the Property-Gard Building and Personal Property Coverage Form, Additional Coverages, is amended to include the following:

##### A. Employee Theft - Limited

We will pay for loss of or damage to **money, securities and other property** resulting directly from **theft** committed by an **employee**, whether identified or not, acting alone or in collusion with other persons.

##### B. Forgery or Alteration - Limited

We will pay for loss resulting directly from **forgery** or alteration of checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in **money** that are:

- 1) Made or drawn by or drawn upon you; or
- 2) Made or drawn by one acting as your agent;

or that are purported to have been so made or drawn.

##### C. The following exclusions apply to Employee Theft – Limited and Forgery or Alteration – Limited.:

- 1) Loss resulting from **theft** or any other dishonest act committed by:

- a) You; or
- b) Any of your partners or **members**;

whether acting alone or in collusion with other persons.

- 2) Loss resulting from **theft** or any other dishonest act committed by any of your **employees, managers, directors, trustees** or authorized representatives:

- a) Whether acting alone or in collusion with other persons; or
- b) While performing services for you or otherwise;

except when covered under Employee Theft - Limited.

- 3) Loss that is an indirect result of any act or **occurrence** covered by Employee Theft - Limited and Forgery or Alteration – Limited, including but not limited to, loss resulting from:

- a) Your inability to realize income that you would have realized had there been no loss of or damage to **money, securities or other property**.
- b) Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under Employee Theft – Limited and Forgery or Alteration - Limited.

- c) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under Employee Theft – Limited and Forgery or Alteration - Limited.
- 4) Expenses related to any legal action.
- 5) The following coverage clauses do not apply to this Additional Coverage:
  - a) Extra Expense, Expediting Expense and Loss Adjustment Expense;
  - b) Loss Adjustment Expense;
  - c) Business Income Coverage Form (and Extra Expense).

D. The following exclusions apply to Employee Theft – Limited:

- 1) Loss caused by any **employee** of yours, or predecessor in interest of yours, for whom similar prior insurance has been cancelled and not reinstated since the last such cancellation.
- 2) Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:
  - a) An inventory computation; or
  - b) A profit and loss computation

However, where you establish wholly apart from such computations that you have sustained a loss, then you may offer your inventory records and actual physical count of inventory in support of the amount of loss claimed.
- 3) Loss resulting directly or indirectly from trading, whether in your name or in a genuine or fictitious account.
- 4) Loss resulting from fraudulent or dishonest signing, issuing, canceling or failing to cancel, a warehouse receipt or any papers connected with it.

E. The following Conditions apply in addition to the Common Policy Conditions:

- 1) This insurance is cancelled as to any **employee**:
  - a) Immediately upon discovery by:
    - (1) You; or
    - (2) Any of your partners, **members, managers**, officers, directors or trustees not in collusion with the **employee**;

of **theft** or any other dishonest act committed by the **employee** whether before or after becoming employed by you.
  - b) On the date specified in a notice mailed to the first Named Insured. That date will be at least 30 days after the date of mailing. We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.
- 2) We will pay only for loss that you sustain through acts committed or events occurring during the policy period shown in the Declarations and discovered by you:
  - a) During the policy period; or
  - b) No later than 1 year from the date of termination or cancellation of this insurance. However, this extended period to discover loss terminates immediately

upon the effective date of any other insurance obtained by you replacing in whole or in part the insurance afforded hereunder, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

- 3) If any loss is covered:
- a) Partly by this insurance; and
  - b) Partly by any prior cancelled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest;

the most we will pay are the Limits of Insurance shown in the Schedule of this endorsement.

Regardless of the number of years this insurance remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or policy period to policy period.

- 4) The property covered under this insurance is limited to property:

- a) That you own or lease;
- b) That you hold for others; or
- c) For which you are legally liable, ~~except for property inside the premises of a client of yours.~~

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization. Any claim for loss that is covered under this insurance must be presented by you.

- 5) We will treat signatures that are produced or reproduced electronically, mechanically or by other means the same as handwritten signatures.

#### F. Limit Of Insurance

- 1) The most we will pay for loss, damage, or expense in any one occurrence under this Additional Coverage are the Per Occurrence Limits of Insurance shown in the Schedule of this Endorsement applicable to Employee Theft – Limited and Forgery or Alteration – Limited.
- 2) The most we will pay for loss, damage, or expense in all occurrences in any one policy period under this Additional Coverage are the Annual Aggregate Limits of Insurance shown in the Schedule of this Endorsement applicable to Employee Theft – Limited and Forgery or Alteration – Limited.

#### **DEFINITIONS**

**1. Counterfeit means an imitation of an actual valid original that is intended to deceive and to be taken as the original.**

**2. Employee:**

**a. Employee means:**

**(1) Any natural person:**

**(a) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to **theft** or any dishonest act committed by the **employee**;**

(b) Who you compensate directly by salary, wages or commissions; and

(c) Who you have the right to direct and control while performing services for you;

(2) Any natural person who is furnished temporarily to you:

(a) To substitute for a permanent **employee** as defined in Paragraph a.(1), who is on leave; or

(b) To meet seasonal or short-term work load conditions;

while that person is subject to your direction and control and performing services for you, excluding, however, any such person while having care and custody of property outside the **premises**;

(3) Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph a.(2);

b. **Employee** does not mean:

(1) any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or

(2) Any **manager**, director or trustee except while performing acts coming within the scope of the usual duties of an **employee**.

3. **Forgery** means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.

4. **Funds** means **money** and **securities**.

5. **Manager** means a person serving in a directorial capacity for a limited liability company.

6. **Member** means an owner of a limited liability company represented by its membership interest, who also may serve as a **manager**.

7. **Messenger** means you, or a relative of yours, or any of your partners or **members**, or any **employee** while having care and custody of **money**, checks, stamps and **securities** outside the **premises**.

8. **Occurrence** means:

a. As respects Employee Theft - Limited, all loss caused by, or involving, one or more **employees**, whether the result of a single act or series of acts.

b. As respects Forgery or Alteration - Limited, all loss caused by any person or in which that person is involved, whether the loss involves one or more instruments.

9. **Other property** means any tangible property other than **money** and **securities** that has intrinsic value. **Other property** does not include any property excluded under Employee Theft - Limited and Forgery or Alteration - Limited.

10. **Securities** means negotiable and nonnegotiable instruments or contracts representing either **money** or property and includes:

a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and

b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include **money**.

11. **Theft** means the unlawful taking of **money, securities** or **other property** to the deprivation of the Insured.

**Property-Gard Select Real Estate Owners and Managers Endorsement**  
**190087 ~~06-06~~ 04 08**

Policy Amendment(s) Commercial Property Coverage

This endorsement modifies Insurance provided under the Property-Gard Select Coverage Section, the Property-Gard Select Real Estate Business Income with Extra Expense Coverage and the MORE-TO-SELECT Property-Gard Select Endorsement.

**SCHEDULE**

COVERAGE DESCRIPTION	LIMIT OF INSURANCE
Communicable Disease Extra Expense	\$100,000
Emergency Vacating Expense	\$100,000
Alternative Key Systems	\$250,000
Realty Tax – Increased Assessment	\$ 50,000
Limit	\$ 50,000
Maximum Annual Assessment Period(s)	One Year
Reward	\$ 25,000
Property In Transit	\$ 25,000
<u>Utility Services Coverage - Direct Damage</u>	<u>\$ 50,000</u>
 <u>Optional Deductibles:</u>	
<u>    \$1,000</u>	<u>    \$2,500</u>
<u>    \$5,000</u>	<u>    \$10,000</u>
	<u>    Policy Deductible</u>

**PROPERTY-GARD SELECT REAL ESTATE BUSINESS INCOME WITH EXTRA EXPENSE  
 COVERAGE**

Real Estate Managers Contract Cancellation	Included
Extended Period of Indemnity	365 days
Utility Services Coverage - Business Income	\$ 250,000
<u>Newly Tenanted Property - Business Income</u>	<u>\$ 250,000</u>
<u>Impaired Tenantability Under Contract of Sale</u>	<u>\$250,000</u>
Increased Period of Restoration Due To	
Operation of Building Laws	365 Days
Civil Authority	30 Days

Unless specifically and expressly provided for herein , the coverage granted by this endorsement does not provide nor will it invoke coverage for loss of use, loss of business income, loss of rental income, or extra expense. Coverage for any loss of use, loss of business income, loss of rental income, or extra expense, if specifically offered within the policy, will be solely governed by the conditions of the relevant business income, rental income, or extra expense form.

This form must be attached to change endorsement when issued after the policy is written.

If "0" appears in the Schedule of this Endorsement, or in the Declarations applicable to this Endorsement, no coverage is provided for the described coverage.

If "N/A" is shown for a described coverage or the described coverage does not have a corresponding Limit of Insurance shown in the Schedule of this Endorsement, or in the Declarations applicable to this Endorsement, no coverage is provided for the described coverage.

If "Included" appears in the Schedule of this Endorsement, the applicable Limit of Insurance is specified in the Declarations of this policy.

Information required to complete this schedule, if not shown above, will be shown in the declarations.

One of the **Fireman's Fund Insurance Companies** as named in the policy

---

Secretary

---

President

## A. EXTENSIONS OF COVERAGE

Section F. of the Property-Gard Select Real And Personal Property Coverage Section, Extensions Of Coverage is amended as follows:

### 11. COMMUNICABLE DISEASE EXTRA EXPENSE

a. We will pay for the actual expense you incur due to a **communicable disease event** occurring at your **premises**. The extra expense must be the result of a **communicable disease event** that has taken place at a covered location.

b. We will not pay for any loss under this Extension of Coverage which is caused directly or indirectly by any of the following:

- (1). Fines or penalties of any kind;
- (2). Any increase of loss or extra expense caused by or resulting from the suspension, lapse or cancellation of any license, lease or contract;
- (3). The cost of replacing actual or suspected contaminated property from the insured location, or any other location.
- (4). Any loss otherwise excluded by an applicable exclusion to this policy.

c. **Communicable Disease** means any disease caused by a biological agent that is transmitted directly or indirectly from one individual to another.

d. **Communicable disease event** means that an official Public Health Authority has ordered that your premises be evacuated and disinfected due to the outbreak of a **communicable disease** at the covered location.

e. For purposes of this Extension of Coverage, Extra Expense is limited to:

- (1) The actual expense you incur to evacuate the covered premises due to a **communicable disease event**; and
- (2) The actual expense you incur to disinfect the covered premises of the **communicable disease**; and
- (3) The actual expense you incur to test the covered premises to confirm disinfection of the **communicable disease**.

f. This Extension of Coverage does not create any Business Income coverage under any coverage form which provides coverage for Business Income.

g. All other provisions of this policy apply to this Extension of Coverage.

h. The most we will pay under this Extension of Coverage in any one occurrence is the Limit of Insurance shown in the Schedule that applies to this Endorsement for **Communicable Disease Extra Expense**.

### 12. EMERGENCY VACATING EXPENSE

- a. We will pay for the reasonable expense you incur in the evacuation of tenants from insured buildings because of an **emergency**.
- b. We will not pay for any expense for the **emergency** evacuation of any tenant if the **emergency** evacuation is a result of:
- (1) A planned evacuation drill;
  - (2) Strike;
  - (3) Governmental Action, Nuclear Hazard or War and Military Action as excluded by this policy;
  - (4) A named **tropical storm** or **hurricane**. Including the period of time 72 hours prior to becoming a **hurricane** or **tropical storm** as declared by the National Weather Service, the entire duration of the **hurricane** or **tropical storm** and the 72 hours immediately following the downgrading of a **hurricane** or **tropical storm** by the National Weather Service; or
  - (5) any other event or action otherwise excluded under this policy.
- c. This coverage only applies if you report the expense to us in writing no later than sixty (60) days from the date of the **emergency** evacuation or from the end of the policy period, whichever is first.
- d. **Emergency** as used in this Extension of Coverage means an unforeseen event or a condition on your **premises** which puts your tenants in imminent danger of direct physical harm or loss of life.
- e. **Hurricane** means a windstorm that has a sustained wind speed of 74 miles per hour or greater or has been declared by the National Weather Service to be a **hurricane**, typhoon or tropical cyclone.
- f. **Tropical Storm** means a windstorm that has a sustained wind speed of 39 miles per hour or greater or has been declared by the National Weather Service to be a **tropical storm**.
- g. This Extension of Coverage does not create any Business Income coverage under any coverage form which provides coverage for Business Income.
- h. All other provisions of this policy apply to this Extension of Coverage.

The most we will pay under this Extension of Coverage in any one occurrence, regardless of the number of tenants evacuated is the Limit of Insurance shown in the Schedule that applies to this Endorsement Part for **Emergency Vacating Expense**.

### 13. ALTERNATIVE KEY SYSTEMS

- a. We will pay for loss or damage to, or cost to reprogram, **alternative key systems**, including card programmers, card-readers, computers, related alarms, transceivers, power supplies and any other electronic or mechanical apparatus needed to make the card keys work. The loss must be caused by a Covered Cause of Loss and take place at a covered location.
- b. **Alternative key systems** means programmable keying systems, such as mechanically or electronically coded key cards.
- c. The most we will pay for loss or damage under this Extension of Coverage is the Limit of Insurance shown in the above Schedule for **Alternative Key Systems**.

#### 14. REALTY TAX COVERAGE – INCREASED ASSESSMENT

a. If a Covered Cause of Loss results in direct physical loss or damage to Covered Property at a location described in the Declarations, we will reimburse you for the increased realty tax liability attributable to the construction, repair, rebuilding, or reconstruction of the damaged property as covered by this policy.

b. We will pay for such increased realty tax liability if it is assessed within 2 years of a covered loss. However, we will only pay such increased assessment following any realty tax assessment that is insured under this coverage for the tax period(s) shown in the schedule for **Realty Tax – Increased Assessment Maximum Annual Assessment Period**.

c. The most we will pay under this Extension of Coverage for any one loss is the Limit of Insurance shown in the above Schedule for **Realty Tax – Increased Assessment**.

#### 15. REWARD

a. If covered property sustains direct physical loss or damage caused by or resulting from a Covered Cause of Loss, and the origin of such loss is determined to be the criminal acts of an individual or individuals, we will pay a reward to the person or persons who provide information that leads to the arrest and conviction of the individual or individuals responsible for the loss.

b. The most we will pay under this Extension of Coverage is the Limit of Insurance shown in the Schedule that applies to this Endorsement Part for **Reward**, regardless of the number of persons providing information that leads to the arrest and conviction of the individual or individuals responsible for such loss.

c. No deductible applies to this Extension of Coverage.

#### 16. PROPERTY IN TRANSIT

Item C.10., (Property not Insured) of the Property-Gard Select Real and Personal Property Coverage Section is deleted. The following Extension of Coverage is added:

a. Your Business Personal Property and personal **property of others**, is covered while it is:

- (1) **IN THE DUE COURSE OF TRANSIT – INSURED’S VEHICLES.** This covers business personal property which is in, on, connected to or being towed by a vehicle which you own, operate or lease.
- (2) **IN THE CARE, CUSTODY OR CONTROL OF SALESPERSONS.** This covers business personal property while it is away from your **premises** in the care, custody, or control of any of your salesperson(s).
- (3) **IN THE CUSTODY OF CARRIERS FOR HIRE.** This covers business personal property but only while it is in the custody of a carrier for hire which includes any motor vehicle, rail, air express, or air transportation company; and their connecting carriers.

b. We cover such property against direct physical loss or damage as provided by The Property-Gard Real and Personal Property Coverage Section.

c. We will not pay under Property in Transit for loss or damage to:

- (1) Property you ship by mail while in the custody of the U.S. Postal Service.
- (2) Property that is waterborne except when on a transporting land conveyance aboard any regular licensed ferry on an inland waterway, and then to include general average and salvage charges for which you may be liable.
- (3) Export shipments after such shipments are loaded on board an exporting conveyance, or on the date such export shipments are covered by a Marine Insurance Policy, or on import shipments until Marine Coverage ceases.
- (4) Property of others carried by you while acting as a common carrier, contract carrier, broker, loader, consolidator or freight forwarder, unless otherwise provided herein.
- (5) Live animals.
- (6) **Fine arts, media, software, and data**, accounts receivable, **valuable papers and records**, or Covered Property while it is in transit to or from a trade show.
- (7) That part of any loss, damage, or expense associated with Property in Transit that is otherwise insured under this Coverage Part or this policy.

d. The most we will pay for loss, damage, or expense in any one occurrence under this coverage is the greater of the Limit of Insurance shown in the Schedule of this Endorsement that applies to Property in Transit.,

## **17. UTILITY SERVICES COVERAGE - DIRECT DAMAGE**

a. We will pay for direct physical loss of or damage to Covered Property at the location described in the Declarations, caused by the interruption of service to such location. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to the Utility Services property described in paragraph (b) below, not on a location described in the Declarations.

### b. Utility Services

(1) Water Supply Services, meaning the following types of property supplying water to the described location:

(a) Pumping stations; and

(b) Water mains.

(2) Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described location, such as:

(a) Communication transmission lines, including optic fiber transmission lines;

(b) Coaxial cables; and

(c) Microwave radio relays except satellites.

Coverage does not extend to any type of overhead transmission, distribution, or communication lines.

(3) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described location:

(a) Utility generating plants;

(b) Switching stations;

(c) Substations;

(d) Transformers; and

(e) Transmission lines.

Coverage does not extend to any type of overhead transmission, distribution, or power lines.

c. The most we will pay for loss or damage in any one occurrence under this Additional Coverage is the Limit of Insurance shown in the Schedule that applies to Utility Services Coverage - Direct Damage.

## **B. ADDITIONAL COVERAGE BUSINESS INCOME**

If the Declarations show you have Property-Gard Select Endorsement -Business Income Coverage With Extra Expense, coverage is amended as follows:

### **1. REAL ESTATE MANAGERS CONTRACT CANCELLATION**

The following is added to the definition of **Business Income**, item G.1., Additional Definitions of the Property-Gard Select Business Income With Extra Expense coverage form:

**Business Income** includes income which would have been earned from Property Management contracts which have been cancelled due to a **Covered Cause of Loss**.

### **2. EXTENDED PERIOD OF INDEMNITY**

The following are added to item C, Additional Coverages of the Property-Gard Select Business Income With Extra Expense Coverage Form:

#### **4. Extended Period of Indemnity**

We will pay for the actual loss of Business Income you incur during the period that:

- a. Begins on the date property (except **finished stock**) is actually repaired, rebuilt or replaced and **operations** are resumed; and
- b. Ends on the earlier of:
  - (1) The date you could restore your operations, with reasonable speed, to the condition that would have existed if no direct physical loss or damage occurred; or
  - (2) 365 consecutive days after the date determined in (1) above.

Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

### 3. UTILITY SERVICE COVERAGE

The following are added to item C, Additional Coverages of the Property-Gard Select Business Income With Extra Expense Coverage Form:

#### 5. Utility Service Coverage

- a. We will pay for loss of Business Income at the location described in the Declarations, caused by the interruption of service to such location. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to the Utility Services property described in paragraph (2) below, not on location described in the Declarations.
- b. Utility Services
  - (1) Water Supply Services, meaning the following types of property supplying water to the described location:
    - (a) Pumping stations; and
    - (b) Water mains.
  - (2) Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described location, such as:
    - (a) Communication transmission lines, including optic fiber transmission lines;
    - (b) Coaxial cables; and
    - (c) Microwave radio relays except satellites.Coverage does not extend to any type of overhead transmission, distribution, or communication lines.
  - (3) Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described location:
    - (a) Utility generating plants;
    - (b) Switching stations;
    - (c) Substations;
    - (d) Transformers; and
    - (e) Transmission lines.Coverage does not extend to any type of overhead transmission, distribution, or power lines.
- c. We will only pay for loss you sustain after the first twenty four (24) hours following loss of service caused by the direct physical loss or damage to the utility services property described in paragraph (2) above.
- d. The most we will pay for loss or damage in any one occurrence under this Additional Coverage is the Limit of Insurance shown in the Schedule that applies to **Utility Services Coverage**.
- e. The Limits of Insurance shown in the Schedule of this endorsement for Utility Services Coverage are included within the Limits of Liability for Business Income shown in the Declarations. Payments under such coverages will not increase the Limits of Liability for Business Income.

#### 4. NEWLY TENANTED PROPERTY - BUSINESS INCOME

The following are added to item C, Additional Coverages of the Property-Gard Select Business Income With Extra Expense Coverage Form:

##### 6. Newly Tenanted Property - Business Income

- a. We will cover your Business Income at locations described in the Declarations which were previously vacant and are now leased to a tenant, if you have not yet reported the values to us.
- b. The most we will pay for any one loss under this Additional Coverage is the Limit of Insurance shown in the Schedule that applies to **Newly Tenanted Property - Business Income**.
- c. This coverage ends 120 days from the date you lease the property to a tenant, on the date you report the values to us, or on the date this policy expires, whichever occurs first. When you report the values to us, you will owe us additional premium from the date the property was leased to a tenant.
- d. Item E. Coinsurance Provisions, of the Property-Gard Select Endorsement - Business Income with Extra Expense Coverage does not apply to this Additional Coverage.

#### 5. IMPAIRED TENANTABILITY UNDER CONTRACT OF SALE

The following are added to item C, Additional Coverages of the Property-Gard Select Business Income With Extra Expense Coverage Form:

##### 7. Impaired Tenantability Under Contract of Sale

- a. If tenantability is impaired on the date **operations** begin at a newly acquired property due to direct physical loss or damage to the property caused by or resulting from a **covered cause of loss** occurring before you acquired the property but while the property was under **contract of sale** to you, we will pay for the actual loss of **Business Income** and **Rental Value** you sustain during the period that:
  - (1) Begins on the date **operations** begin at the property; and
  - (2) Ends 120 days from the date **operations** begin at the property, on the date the property should be repaired, rebuilt or replaced with reasonable speed and similar quality, or on the date this policy expires, whichever occurs first.
- b. **Contract of sale** means a written contract to purchase the property with all sales contingencies described in such contract having been removed through a written notice to the seller of the property.
- c. The most we will pay for any one loss under this Additional Coverage is:
  - (1) The difference between the rents actually paid at the property when **operations** begin at the property and the **rental value** of the property that would have existed if no direct physical loss or damage to the property occurred while the property was under **contract of sale** to you; or.

(2) The Limit of Insurance shown in the Schedule that applies to **Impaired Tenantability Under Contract of Sale.**

whichever is less.

d. Item E. Coinsurance Provisions, of the Property-Gard Select Endorsement - Business Income with Extra Expense Coverage does not apply to this Additional Coverage.

#### **46. INCREASED PERIOD OF RESTORATION DUE TO OPERATION OF BUILDING LAWS**

Item G.6., of the Business Income Coverage Form is deleted and replaced by the following:

6. **Period of restoration** means the period of time that begins with the date of direct physical loss or damage caused by or resulting from any **covered cause of loss** at the described premises and ends on the date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality.

**Period of Restoration** includes the increased period required to repair or reconstruct the property to comply with the minimum standards of any ordinance or law, in force at the time of loss that regulates the construction or repair, or requires the tearing down of any property. The increased period of time will extend up to but not exceed one year from the date when the property at the described premises should have been repaired, rebuilt or replaced using reasonable speed and similar quality, had there been no ordinance or law imposed on such construction or repair.

**Period of Restoration** does not include any increased period required due to the enforcement of any ordinance or law that:

- a. requires the removal of **asbestos**; or
- b. requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**.

The expiration date of this policy will not cut short the **period of restoration**.

#### **57. CIVIL AUTHORITY**

Item C. 2. Civil Authority, of the Property-Gard Select Business Income with Extra Expense Coverage endorsement is deleted and replaced by the following:

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises due to direct physical loss of or damage to property, other than at the described premises, caused by or resulting from any Covered Cause of Loss. This coverage will apply for a period of up to the number of consecutive days from the date of that action shown in the schedule for **Civil Authority**

**Property-Gard Select Real Estate Owners and Managers Crime Protection  
190088 ~~(06-06)~~ (04-08)**

Policy Amendment(S) Commercial Property Coverage

This endorsement modifies Insurance provided under the Property-Gard Select Coverage Section

**SCHEDULE**

<b>COVERAGE DESCRIPTION</b>	<b>LIMIT OF INSURANCE</b>
<b>Employee Theft – Limited</b>	
<b>Per Occurrence</b>	<b>\$ 25,000</b>
<b>Annual Aggregate</b>	<b>\$ 50,000</b>
<b>Forgery or Alteration – Limited</b>	
<b>Per Occurrence</b>	<b>\$ 25,000</b>
<b>Annual Aggregate</b>	<b>\$ 50,000</b>

Information required to complete this schedule, if not shown above, will be shown in the declarations.

This form must be attached to change endorsement when issued after the policy is written.

One of the **Fireman's Fund Insurance Companies** as named in the policy

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
President

## COVERAGES EXTENSIONS

Section F. of the Property-Gard Select Real And Personal Property Coverage Section, Extensions Of Coverage is amended as follows:

### EMPLOYEE THEFT – LIMITED and FORGERY or ALTERATION – LIMITED

#### A. Employee Theft - Limited

We will pay for loss of or damage to **money, securities and other property** resulting directly from **theft** committed by an **employee**, whether identified or not, acting alone or in collusion with other persons.

#### B. Forgery or Alteration - Limited

We will pay for loss resulting directly from **forgery** or alteration of checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in **money** that are:

- 1) Made or drawn by or drawn upon you; or
- 2) Made or drawn by one acting as your agent;

or that are purported to have been so made or drawn.

#### C. The following exclusions apply to Employee Theft – Limited and Forgery or Alteration – Limited.:

- 1) Loss resulting from **theft** or any other dishonest act committed by:

- a) You; or
- b) Any of your partners or **members**;

whether acting alone or in collusion with other persons.

- 2) Loss resulting from **theft** or any other dishonest act committed by any of your **employees, managers, directors, trustees** or authorized representatives:

- a) Whether acting alone or in collusion with other persons; or
- b) While performing services for you or otherwise;

except when covered under Employee Theft - Limited.

- 3) Loss that is an indirect result of any act or **occurrence** covered by Employee Theft - Limited and Forgery or Alteration – Limited, including but not limited to, loss resulting from:

- a) Your inability to realize income that you would have realized had there been no loss of or damage to **money, securities or other property**.
- b) Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under Employee Theft – Limited and Forgery or Alteration - Limited.
- c) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under Employee Theft – Limited and Forgery or Alteration - Limited.

- 4) Expenses related to any legal action.

5) The following coverage clauses do not apply to this Additional Coverage:

- a) Extra Expense, Expediting Expense and Loss Adjustment Expense;
- b) Loss Adjustment Expense;
- c) Business Income Coverage Form (and Extra Expense).

D. The following exclusions apply to Employee Theft – Limited:

- 1) Loss caused by any **employee** of yours, or predecessor in interest of yours, for whom similar prior insurance has been cancelled and not reinstated since the last such cancellation.
- 2) Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:
  - a) An inventory computation; or
  - b) A profit and loss computationHowever, where you establish wholly apart from such computations that you have sustained a loss, then you may offer your inventory records and actual physical count of inventory in support of the amount of loss claimed.
- 3) Loss resulting directly or indirectly from trading, whether in your name or in a genuine or fictitious account.
- 4) Loss resulting from fraudulent or dishonest signing, issuing, canceling or failing to cancel, a warehouse receipt or any papers connected with it.

E. The following Conditions apply in addition to the Common Policy Conditions:

- 1) This insurance is cancelled as to any **employee**:
  - a) Immediately upon discovery by:
    - (1) You; or
    - (2) Any of your partners, **members, managers**, officers, directors or trustees not in collusion with the **employee**;of **theft** or any other dishonest act committed by the **employee** whether before or after becoming employed by you.
  - b) On the date specified in a notice mailed to the first Named Insured. That date will be at least 30 days after the date of mailing. We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.
- 2) We will pay only for loss that you sustain through acts committed or events occurring during the policy period shown in the Declarations and discovered by you:
  - a) During the policy period; or
  - b) No later than 1 year from the date of termination or cancellation of this insurance. However, this extended period to discover loss terminates immediately upon the effective date of any other insurance obtained by you replacing in whole or in part the insurance afforded hereunder, whether or not such other insurance provides coverage for loss sustained prior to its effective date.
- 3) If any loss is covered:

- a) Partly by this insurance; and
- b) Partly by any prior cancelled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest;

the most we will pay are the Limits of Insurance shown under item p.(6) below.

Regardless of the number of years this insurance remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or policy period to policy period.

4) The property covered under this insurance is limited to property:

- a) That you own or lease;
- b) That you hold for others; or
- c) For which you are legally liable, ~~except for property inside the premises of a client of yours.~~

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization. Any claim for loss that is covered under this insurance must be presented by you.

5) We will treat signatures that are produced or reproduced electronically, mechanically or by other means the same as handwritten signatures.

#### F. Limit Of Insurance

1) The most we will pay for loss, damage, or expense in any one occurrence under this Additional Coverage are the Per Occurrence Limits of Insurance shown in the Schedule of this Endorsement applicable to Employee Theft – Limited and Forgery or Alteration – Limited.

2) The most we will pay for loss, damage, or expense in all occurrences in any one policy period under this Additional Coverage are the Annual Aggregate Limits of Insurance shown in the Schedule of this Endorsement applicable to Employee Theft – Limited and Forgery or Alteration – Limited.

### DEFINITIONS

#### 1. Employee:

##### a. Employee means:

##### (1) Any natural person:

(a) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to theft or any dishonest act committed by the employee;

(b) Who you compensate directly by salary, wages or commissions; and

(c) Who you have the right to direct and control while performing services for you;

##### (2) Any natural person who is furnished temporarily to you:

(a) To substitute for a permanent employee as defined in Paragraph a.(1), who is on leave; or

(b) To meet seasonal or short-term work load conditions;

while that person is subject to your direction and control and performing services for you, excluding, however, any such person while having care and custody of property outside the premises;

(3) Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph a.(2);

b. **Employee** does not mean:

(1) any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or

(2) Any **manager**, director or trustee except while performing acts coming within the scope of the usual duties of an **employee**.

2. **Forgery** means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.

3. **Funds** means **money** and **securities**.

4. **Manager** means a person serving in a directorial capacity for a limited liability company.

5. **Member** means an owner of a limited liability company represented by its membership interest, who also may serve as a **manager**.

6. **Money** means:

a. Currency, coins and bank notes in current use and having a face value; and

b. Travelers checks, register checks and money orders held for sale to the public.

7. **Occurrence** means:

a. As respects Employee Theft - Limited, all loss caused by, or involving, one or more **employees**, whether the result of a single act or series of acts.

b. As respects Forgery or Alteration - Limited, all loss caused by any person or in which that person is involved, whether the loss involves one or more instruments.

8. **Other property** means any tangible property other than **money** and **securities** that has intrinsic value. **Other property** does not include any property excluded under Employee Theft - Limited and Forgery or Alteration - Limited.

9. **Securities** means negotiable and nonnegotiable instruments or contracts representing either **money** or property and includes:

a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and

b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include money.

10. **Theft** means the unlawful taking of **money, securities or other property** to the deprivation of the **Insured**.

**MORE-TO-SELECT - Property-Gard Select Endorsement - 190020 05-94 04 08**  
Policy Amendment(s) Commercial Property Coverage

Insured: Policy Number:

Producer: Effective Date:

---

This endorsement modifies Insurance provided under the Property-Gard Select Coverage Section

**Schedule**

<b>Coverage Description</b>	<b>Limit of Insurance</b>	<b>Deductible</b>
Contract Penalty Clause		
Counterfeit Paper and Money Orders		
Expediting Expenses		
Fire Protective Equipment		No Deductible Applies
Lost Key Coverage		No Deductible Applies
Lost Lease Coverage		
Money, Checks and Stamps		
Tenant Move-Back Coverage		

Unless specifically stated herein, the coverage granted by this endorsement does not provide nor will it invoke coverage for loss of use, loss of business income, loss of rental income, or extra expense. Coverage for any loss of use, loss of business income, loss of rental income, or extra expense, if specifically offered within the policy, will be solely governed by the conditions of the relevant business income, rental income, or extra expense form.

A. Section F. of the Property-Gard Select Coverage Section, **Extensions of Coverage**, is amended to include the following:

11. Contract Penalty Clause

We will pay the contractual penalties you are required to pay to your customers as a result of any clause in your contracts for failure to timely deliver your product(s) according to the contract terms. The penalties must solely result from direct physical loss or damage by a **covered cause of loss** to covered property. The most we will pay for penalties for all contracts arising in any one occurrence is the Limit of Insurance shown in the above Schedule for Contract Penalty Clause.

12. Counterfeit Paper and Money Orders

We will pay for loss due to the acceptance in good faith, in exchange for merchandise, money or services, of any post office or express money order, issued or purporting to have been issued by any post office or express company, or due to the acceptance in good faith in the regular course of business of counterfeit United States or Canadian paper currency. The most we will pay for any one loss is the Limit of Insurance shown in the above Schedule for Counterfeit Paper and Money Orders.

13. Expediting Expenses

When a loss covered by this policy occurs, we will pay the reasonable extra costs for temporary repair of property damaged and for expediting the permanent repair or replacement of such damaged property. This includes overtime wages and extra cost of express or other rapid means of transportation. This does not include expenses recoverable elsewhere under this policy or your costs incurred for the temporary rental or replacement of damaged property.

The most we will pay for any one loss is the Limit of Insurance shown in the above Schedule for Expediting Expenses.

#### 14. Fire Protection Equipment

We will pay your costs to recharge or refill fire protective equipment and clean up and remove the fire extinguishing agent resulting from the discharge of a fire extinguishing agent from fire protective equipment.

The discharge must:

- a. Be caused by a **covered cause of loss**;
- b. Result from the intended operation of the fire protective equipment to prevent or control a **covered cause of loss**;
- c. Be accidental; or
- d. Result from a malfunction of the fire protective equipment.

We will not pay for loss or damage:

- a. If you fail to use reasonable care to maintain the fire protective equipment in proper operating condition; or
- b. Caused by discharge at the time of servicing, refilling or testing of the fire protective equipment.

The most we will pay for loss or damage in any one occurrence is the Limit of Insurance shown in the above Schedule for Fire Protective Equipment. No deductible applies to this Extension of Coverage.

#### 15. Lost Key Coverage

We will pay for consequential loss to keys and locks if a master key or grand master is lost or damaged resulting from a **covered cause of loss**. We will pay for the actual cost to replace keys, adjustment of locks to accept new keys or if required, new locks, including the cost of their installation.

Exclusions 2.a. and 2.d. of the Property-Gard Select Real and Personal Property Coverage Section do not apply to this coverage.

The most we will pay for loss or damage under this coverage in any one occurrence is the Limit of Insurance shown in the above Schedule for Lost Key Coverage. No Deductible applies to this Extension of Coverage.

#### 16. Lost Lease Coverage - Lessors Interest

We will pay for loss you sustain due to the cancellation of lease contracts by your tenants when the reason for cancellation of the lease is direct physical loss or damage to the leased premises caused by or resulting from a **covered cause of loss** during the policy period.

We will not pay for loss caused by your canceling the lease, the suspension, lapse or cancellation of any license or any other consequential loss.

The most we will pay under this coverage is the difference between the rents actually paid at the described premises and the anticipated rental value of the described premises that you lease for:

~~a. The difference between the rents actually paid at the described premises and the anticipated rental value of the described premises that you lease for:~~

~~(1)~~ a. 12 months immediately following the **period of restoration**; or

~~(2)~~ b. For the period beginning with the end of the **period of restoration** and ending with the normal expiration date of each canceled lease; or

~~(3)~~ c. The Limit of Insurance shown in the above Schedule for Lost Lease Coverage;

whichever is less.

The number of tenants who cancel leases will not affect the Limit of Insurance. The expiration date of this policy will not cut short the duration of coverage provided by this extension.

#### 17. Money, Checks and Stamps

We will cover money, checks and stamps you use in your business as shown by your records. We cover them while they are contained in the building at a location we cover. We also cover them while they are being carried to and from a covered location. We cover such property against loss from a **covered cause of loss** applying at the location.

We do not cover any loss caused by or resulting from forgery, alterations, the giving or surrendering of checks or money in exchange or purchase, accounting or arithmetic errors or omissions.

The most we will pay in any one loss is the Limit of Insurance shown in the above Schedule for Money, Checks and Stamps.

#### 18. Tenant Move-Back Coverage

We will pay expenses incurred by you for **covered move-back costs** of tenants who temporarily vacate a portion of a covered building property at the **premises** described in the Declarations. The vacancy must have occurred while the portion of the building property rented by the tenant could not be occupied due to direct physical loss or damage to your covered property caused by or resulting from any **covered cause of loss** during the policy period. The move back must take place within 60 days after the portion of the covered building property rented by the tenant has been repaired or rebuilt and is ready for occupancy.

We will pay for **covered move-back costs** whether or not the tenant(s) move back before the expiration date of this policy.

**Covered Move-Back Costs** under this endorsement means documented, reasonable and necessary:

- a. Costs of packing, insuring and carting ~~business~~ personal property;
- b. Costs of reestablishing electric utility services, less refunds from discontinued services;
- c. Costs of assembling and setting up fixtures and equipment; and
- d. Costs to unpack and reshelve stock and supplies.

e. Costs of rent abatement offered to the tenant(s) as an incentive to reoccupy the premises.

**Covered Move-Back Costs** does not include:

- a. Loss caused by the termination of a lease or other agreement; or
- b. Security deposits or other payments, forfeitures or penalties made to the landlord or lessor of other premises.

The most we will pay for **Covered Move-Back Costs** under this endorsement resulting from any one occurrence is the Limit of Insurance shown in the above Schedule. The number of tenants requiring relocation will not affect this Limit of Insurance.

#### B. Deductible

Regardless of the Deductible Amount shown in the Declarations of this policy, the most we will deduct from any one loss in any one occurrence for coverages under this endorsement is the Deductible Amount shown in the above Schedule. If more than one deductible is applicable under this endorsement or this policy, we will only apply the single amount that is applicable.

Deductibles shall not apply to Fire Protective Equipment or Lost Key Coverage.

- C. This Endorsement is otherwise subject to all the terms, conditions, provisions and stipulations of the policy to which it is attached.

Real Estate Owners and Managers Endorsement Explanatory Memorandum

**Overview**

**Note: the ensuing descriptions of coverage are provided for your information in order to facilitate review of our filing. The terms, conditions, and exclusions of the actual policy, form the actual contract between the insured and the insurance company.**

**A. Property-Gard and Property-Gard Select**

We introduced coverage extension endorsements in 2005 for our Real Estate industry business. The endorsements were updated in 2006 to offer variable limits. We wish to now revise these endorsements to add additional items to Covered Property and to Additional Coverages, add Definitions for clarification purposes, and add deductible options. Note: the limits in the Schedule on these endorsements are the automatic or default limits. Our automated policy writing system will print the limits on a separate schedule.

The following chart describes these revisions.

<b>Endorsement</b>	<b>Changes from 06 06 edition</b>
143618, Property-Gard - Real Estate Owners and Managers Endorsement	<ul style="list-style-type: none"> <li>• Added wording to include Roadways, Walks, Patios Or Other Paved Surfaces under the definition of Covered Property</li> <li>• Added wording to include Underground Pipes, Flues or Drains under the definition of Covered Property</li> <li>• Added wording to include Retaining Walls under the definition of Covered Property</li> <li>• Added wording to include Outdoor Swimming Pools under the definition of Covered Property</li> <li>• Added wording to include Outdoor Recreational Courts or Equipment under the definition of Covered Property</li> <li>• Added wording to include Utility Services Coverage - Direct Damage under the Additional Coverages</li> <li>• Added wording to include Tenant Move Back Costs for residential tenants under the Additional Coverages</li> <li>• Added wording to include costs of rent abatement offered to the tenant(s) as an incentive to reoccupy the premises as a covered Tenant Move Back Cost under the Additional Coverages</li> <li>• Added deductible options applicable to the endorsement for \$1,000, \$2,500, \$5,000, \$10,000 or Policy Deductible</li> </ul>
143619, Business Income – Real Estate Owners and Managers Endorsement	<ul style="list-style-type: none"> <li>• Added wording to include Business Income at locations described in the Declarations which were previously vacant and are now leased to a tenant under the Coverage Extensions</li> <li>• Added wording to include Business Income at locations which suffer impaired tenantability while under contract of sale to you under the Coverage Extensions</li> </ul>
143620, Property-Gard-Real Estate Owners and Managers Crime Protection	<ul style="list-style-type: none"> <li>• Amended wording to include property for which you are legally liable inside the premises of a client under as covered property under the Additional Coverage, Employee Theft - Limited</li> <li>• Definitions added for clarification. Terms now defined in the Extension endorsement are: client, counterfeit, employee, forgery, funds, manager, member, messenger, occurrence, other property, securities and theft</li> </ul>
190087, Property-Gard Select Real Estate Owners and Managers	<ul style="list-style-type: none"> <li>• Added wording to include Utility Services Coverage - Direct Damage under the Additional Coverages</li> </ul>

Real Estate Owners and Managers Endorsement Explanatory Memorandum

Endorsement	<ul style="list-style-type: none"> <li>• Added wording to include Business Income at locations described in the Declarations which were previously vacant and are now leased to a tenant under the Coverage Extensions</li> <li>• Added wording to include Business Income at locations which suffer impaired tenantability while under contract of sale to you under the Coverage Extensions</li> <li>• Added deductible options applicable to the endorsement for \$1,000, \$2,500, \$5,000, \$10,000 or Policy Deductible</li> <li>• The other new items in endorsement 143618 are already covered under 190001, Property-Gard Select Real and Personal Property Coverage Section, and 190020, MORE-TO-SELECT - Property-Gard Select Endorsement, as previously filed and approved</li> </ul>
190088, Property-Gard Select Real Estate Owners and Managers Crime Protection	<ul style="list-style-type: none"> <li>• Amended wording to include property for which you are legally liable inside the premises of a client under as covered property under the Additional Coverage, Employee Theft - Limited</li> <li>• Definitions added for clarification. Terms now defined in the Extension endorsement are: client, employee, forgery, funds, manager, member, money, occurrence, other property, securities and theft</li> </ul>
190020, MORE-TO-SELECT - Property-Gard Select Endorsement	<ul style="list-style-type: none"> <li>• Modified the reference to personal property in A.18. Tenant Move Back Coverage to clarify Move Back Costs are covered for residential tenants as well as commercial tenants</li> <li>• Added wording to include costs of rent abatement offered to the tenant(s) as an incentive to reoccupy the premises as a covered Tenant Move Back Cost under the Additional Coverages</li> </ul>

Updated manual pages for the Property-Gard and Property-Gard Select along with the pricing explanations are included with this filing.